FBIS DAILY REPORT

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ANDEAN GROUP REPORTS ON MEMBERS' ECONOMY

PY232019 Paris AFP in Spanish 0049 GMT 22 Sep 81

[Text] Lima, 21 Sep (AFP)--The Cartagena Agreement junta, which is the technical branch of this subregional integration organization, asserted here today that the main problems which affected the Andean countries' economy during the first half of the year are an economic slowdown, strong inflationary pressures, an accute imbalance in the foreign sector and public finance issues.

The junta anticipates that the subregional production for 1981 will be slow, only reaching 4 percent--except in the case of Bolivia, which it estimates will have a negative growth rate in the gross domestic production.

In a report on the situation of the member countries during this period, the junta pointed out that the economy of the five Andean member countries--Bolivia, Colombia, Ecuador, Peru and Venezuela--was particularly affected by the world economic crisis.

Among the negative factors the Andean junta mentions are the continuous drop in prices of goods exported by the Andean countries, such as coffee, sugar, copper, cocoa, aluminum, tin, lead and petroleum; as well as the increasing of prices of goods they import and the increasing interest rates on the dollar.

The document adds that these factors have caused the worsening of the problems of the balance of payments with a consequent reduction of international reserves and a greater foreign indebtedness, which it terms a heavy load for the weak Andean economy.

The junta report adds that the industrialized economies have shown an increasing recession process during the first half of 1981, while the economy of the socialist countries shows a tendency to reach a standstill, and that the increasing cost of the dollar has caused a recession in the world trade.

The junta pointed out that despite the drop experienced by the international prices, the agriculture sector had a positive outcome, experiencing an important growth, such as that of 9 percent in Peru.

The manufacturing industry, with the exception of Peru, has faced serious difficulties during the first half of the year with a decrease in sales and production due to a drop in the demand of the respective countries.

According to the junta, in addition to the aforementioned factors, there is a strong inflationary pressure which has affected the cost structures of the production apparatus and has caused a drop in the people's purchasing power.

The Andean junta report points out that the construction sector, traditionally the main source for jobs, has also been less active than in the past and, as a consequence, the governments' goals for providing jobs have dropped.

The end of the report points out that, with the exception of Venezuela, the remaining member countries have been affected by fiscal problems which in some cases have shown gigantic deficits which, undoubtedly, will compel a recession in the public activities with a consequent general economic slow down in the Andean countries.

The junta recalled that, in view of this situation, the Andean representatives during their recent meeting in Paipa, Colombia, declared that Andean integration is necessary to make their economies grow.

GOVERNMENT REJECTS CHILEAN VERSION OF SHIP INCIDENT

PY231358 Buenos Aires TELAM in Spanish 2154 GMT 22 Sep 81

[Text] Buenos Aires, 22 Sep (TELAM)--Argentina does not accept the claims of Chilean news media, since the events referred to do not imply any violation of agreements in force.

This is said in the communique released by San Martin Palace this afternoon regarding the journey of the Argentine cruiser General Belgrano and referring to news reports from Chile which quote statements made by some officials from that country.

The following are the clarifications made regarding the subject:

1. The navigation of the Argentine cruiser General Belgrano in waters of the southern region, at present subject to John Paul II's mediation process, takes place within the normal training plans of the Argentine Navy which are carried out periodically.

2. Such activities are foreseen in the Buenos Aires Act, signed by both parties on 2 May 1978, and the parties are bound to respect the terms of the agreement contained in that document which, in the pertinent section, stipulates that the two countries commit themselves to safeguard, in the southern zone, the navigation of the public and private ships of the parties in the same way as it has been carried to date, particularly the navigation to and from the Antarctic and navigation for trade, logistical and training purposes.

3. Therefore, the expressions of the news media in Santiago cannot be accepted, since the events referred to do not imply any violation of agreements in force.

4. This position of the Argentine Government is known to the office of the mediation.

CAMILION, CARRINGTON HOLD MEETING ABOUT MALVINAS

PY231721 Buenos Aires Domestic Service in Spanish 1600 GMT 23 Sep 81

[Text] New York--Argentine Foreign Minister Oscar Camilion and the British secretary of state for foreign and Commonwealth affairs, Lord Peter Carrington, agreed today that the present situation of the negotiations over the Malvinas must improve.

At the end of a 55-minute meeting he held today with Lord Carrington, Foreign Minister Camilion said that the need to change the present status quo is a realistic position.

He added that during the meeting Lord CArrington noted that it is difficult to continue with the present status quo.

BRIEFS

REPRESENTATIVE TO NUCLEAR COMMISSION--Buenos Aires, 10 Sep (TELAM)--Argentine representative Martin B.A. Grespi has been elected member of the Inter-American Nuclear Energy Commission for the fourth time. [Buenos Aires TELAM in Spanish 0132 GMT 11 Sep 81 PY]

WAGES FALL--(NA)--The average wage earner's salary has fallen by 16.5 percent in real terms since December 1980, according to a report by the foundation for Latin American Economic Research. [Excerpt] [Buenos Aires HERALD in English 18 Sep 81 p 11 PY]

FOREIGN MINISTER COMMENTS ON TALKS WITH U.S.

PY240159 La Paz Radio Illimani Network in Spanish 0100 GMT 24 Sep 81

[Excerpt] Foreign Minister Gonzalo Romero has emphatically stressed that there are no U.S. impositions for normalizing its relations with Bolivia, which were interrupted in July of last year. At the same time he stated that the process of normalizing relations with the rest of the countries throughout the world is being carried out gradually and he stressed that in this respect matters must not be hurried.

Romero will travel to New York at the beginning of October in order to participate in the 26th UN Assembly, where he will give a speech on 9 October.

During his stay in the northern nation it is possible that he will hold talks with representatives of the U.S. Government, including U.S. Secretary of State Alexander Haig, in order to achieve a reopening of bilateral relations. Romero indicated this probability, but at the same time he clarified that Ronald Reagan's representatives have not expressed any type of imposition for those talks.

DEFENSE MINISTER ON ARMED FORCES UNITY, GEN ANEZ

PY231659 La Paz Radio Illimani Network in Spanish 1130 GMT 23 Sep 81

[Text] Defense Minister Gen Armando Reyes Villa has told the president of the republic that there is absolute unity among the national armed forces. This report has been released in response to remarks made by an army general, rejecting an alleged crisis within the armed forces.

Reyes Villa held a meeting with President Torrelio Villa to brief him on the activities being carried out by his ministry. In answer to journalistic questions, he stated that the army command had the right to set military objectives, and added that the army command will also provide services to former Interior Minister Luis Arce Gomez. He also announced the installation of Gen Lucio Anez Rivero as new manager general of the Military Social Security Organization.

BANZER SUAREZ DENIES SUPPORTING PRESENT REGIME

PY231841 Buenos Aires TELAM in Spanish 1725 GMT 23 Sep 81

[Text] Buenos Aires, 23 Sep (TELAM)--Former Bolivian President Hugo Banzer Suarez told TELAM today that it is not true that Nationalist Democratic Action [ADN]--the political party of which he is leader--openly supports President Celso Torrelio Villa's government in his country.

Banzer said that he had been asked during a press interview before he left Bolivia if his party would cooperate with the government, if the political prohibition were lifted and the military called together the political forces. The former president said that under such circumstances his party and other Bolivian groups would have to give their support, since it was a military government with whose nationalist principles they agree.

He explained that the support cannot be given under the present circumstances and because the prohibition of the activities of political parties continues in force. Banzer said that he is not in a position to give that support, since political activity is not permitted in Bolivia.

The former president said that he had left Bolivia and is now in Buenos Aires in order to defend himself from here against accusations made against him in Bolivia and abroad linking him with drug trafficking.

ACTING PRESIDENT CHAVES SPEAKS AFTER SWEARING IN

PY231623 Sao Paulo Radio Bandeirantes in Portuguese 1410 GMT 23 Sep 81

[Speech by Brazilian acting President Aureliano Chaves following swearing-in ceremony at Planalto Palace, Brasilia--live]

[Text] Mr President of the Chamber of Deputies; Mr President of the Senate; Mr President of the Supreme Federal Court; Mssrs Ministers of State; gentlemen: I assume the Presidency of the Republic in compliance with the terms of the Constitution.

At this unadorned and solemn moment I pray to God for the health of President Figueiredo, who is admired and respected by all Brazilians and who already holds an important place in history.

According to the Constitution, I will have to make important decisions during my short presidential term. The presidential form of government establishes that the president of the republic is both the chief of state and the head of the government, that the leader is one and indivisible, that his government team should be harmonious and united, calm and discreet in what it says and diligent in its actions.

Within these guidelines I hope to have the valuable cooperation of everyone and especially of the ministers of state for the effective fulfillment of the task which I have unfortunately have had to undertake.

I reassert my role of a man having deep legislative roots. In exercising this pleasing role, I cordially and reiteratedly invite the mssrs senators and deputies to seek adequate solutions for our republic and institutions and the improvement of our democratic life.

I voice my special interest in a sovereign, proud and correct judicial branch, which is the basis for a democratic life.

I voice my appreciation to a free, democratic and responsible press to whose cooperation the government's task is subject.

I believe that all we Brazilians can join hands without compromising our individuality and without giving up our positions, but by overcoming passions and resentment in favor of the higher interests of the nation for which we are all responsible, in a just tribute to a man who swore to turn Brazil into a democratic nation and ended up by giving part of his life in a determined and irrenounceable decision to fulfill that objective.

President Joao Figueiredo (?strengthens) the indestructible ties of permanent discipline, respect and appreciation. [applause]

NUCLEAR PLANT CHARGED TO BEGIN OPERATION

PY240123 Rio de Janeiro JORNAL DO BRASIL in Portuguese 20 Sep 81 p 1

[Text] Two hundred-ten billion dollars and 10 years later, Brazil will enter this week into the closed club of atomic-energy-generating countries. The Angra 1 plant's generator core has been charged with fuel elements since yesterday so that it can start generating steam by Tuesday [22 September]. In December this steam will be used to drive the electric energy generators.

The first nuclear plant goes into operation at a time in which Brazil does not even use up all the energy being generated by the hydroelectric plants. The government is then justifying the nuclear program as a strategic necessity. For the scientific community, there are less-expensive alternatives if the objective is to produce atomic bombs.

SARAIVA, GROMYKO HOLD 'FRANK, CORDIAL DIALOGUE'

PY240100 Brasilia Domestic Service in Portuguese 2200 GMT 23 Sep 81

[Brazilian News Agency reporter direct from New York with report on activities at UN headquarters]

[Excerpt] Foreign Minister Saraiva Guerreiro was received at the Soviet Mission's headquarters by Minister Andrey Gromyko. They reviewed the agenda of the current Assembly. We must note that it has been some time since the Soviet and Brazilian foreign ministers have met for a frank and cordial dialogue, according to Saraiva.

Saraiva indicated that during his talk with Gromyko, which was a general nature, he voiced Brazilian concern regarding world peace and he reiterated Brazil's policy of noninterference in the internal affairs of other countries.

He stressed that Gromyko also reiterated the already-known Soviet policies and positions, and he asserted that topics such as El Salvador and the Afghanistan invasion were not discussed.

PAULIPETRO CONTRACT WITH SOVIETS APPROVED

PY240203 Sao Paulo FOLHA DE SAO PAULO in Portuguese 23 Sep 81 p 19

[Text] The general manager of PAULIPETRO (a consortium formed by the Sao Paulo Electric Company and the Technological Research Institute), Luis Franciso Saragioto, revealed yesterday that the Central Bank has approved the contract between PAULIPETRO and the Soviet state company Technoexport. The contract is for $2 million to defray expenses for the arrival of 4 Soviet experts to Brazil and the visit of 16 Brazilian technicians to the Soviet Union for training in drilling land-based oil wells.

According to Saragioto, the technical cooperation program is justified by the fact that the eastern Siberian sedimentary basin was the same age as the geological strata in the Parana basin where PAULIPETRO is drilling 10 wells.

Also according to the PAULIPETRO general manager, the contract provides for personnel training in the areas of geophysical, geochemical research and petrophysical survey. The negotiations between PAULIPETRO and Technoexport were concluded last June when Saragioto accompanied Planning Minister Delfim Neto to the Soviet Union.

GOVERNMENT PROTESTS ARGENTINE CRUISER INCURSION

PY221921 Santiago Chile Domestic Service in Spanish 1730 GMT 22 Sep 81

[Text] The Chilean Government has submitted a formal and categorical protest to the Argentine Government over the incursion of the Argentine cruiser Belgrano into Chilean waters. This information was given by Col Ernesto Videla, Foreign Ministry under secretary and chief of the Chilean delegation to the mediation process. The diplomat delivered the protest to the Argentine ambassador to Chile, Gen Jose Montes (ret), in a 10-minute meeting held in the Red Room of the Foreign Ministry.

The Argentine cruiser Belgrano navigated in southern Chilean waters for over 7 hours on Sunday without the proper authorization. Colonel Videla noted that this action violates Article No 2 of the Montevideo pact by which both governments have pledged to the pope they will refrain from carrying out any actions that may alter the good bilateral relations that must characterize both countries.

[Begin Videla recording] I have said several times that we must maintain an atmosphere that will favor the mediation process. However, it is obvious that this incident does not help in keeping a proper atmosphere that will aid in achieving a prompt solution to the Beagle dispute. In this specific case we must comply with Article No 2 of the Montevideo pact by which both countries have made a commitment to the pope to refrain from creating incidents that may alter the bilateral relations of our two countries. [end recording]

The Foreign Ministry under secretary also noted that Cardinal Samore, the pope's representative to the mediation process, is well-informed on all problems affecting Chilean-Argentine relations, and particularly those that arise in the Beagle area.

Videla made this statement at the end of his meeting with Argentine Ambassador Jose Montes, who declined to give any details on what was discussed during the meeting.

[Begin Montes recording] Gentlemen, I will not make any statement. I wish you all a good day. That is all.

[Question] How do you view (?Argentine-Chilean) relations?

[Answer] No comments. I have come here to meet with the Foreign Ministry under secretary. That is all. [end recording]

Colonel Videla noted, however, that Chile submitted a formal protest to Argentina for violating Chilean territorial waters.

RELATIONS WITH PERU AT SATISFACTORY LEVEL

PY240207 Santiago Chile Domestic Service in Spanish 0000 GMT 24 Sep 81

[Excerpts] Chile and Peru have expressed their satisfaction over the promotion of bilateral relations that took place last year. The foreign minister of the two countries also stressed that their approaches to regional and world problems are similar. Rene Rojas Galdames and Javier Arias Stella talked at the UN headquarters in New York and said that the program outlined the year before was carried out satisfactorily.

The Peruvian minister said: We are pleased to see that we share viewpoints on these matters. At the regional level, Foreign Minister Rojas was interested in the performance of the Andean Pact and I have told him about the steps that we are taking. Arias also thanked the Chilean minister for his statement on the Rio de Janeiro Protocol, which was signed by Peru and Ecuador in order to settle a border dispute. Chile is one of the four guarantors of the treaty.

BOMB ATTACK AGAINST FORMER LEGISLATOR'S HOUSE

PY222020 Santiago Chile EL MERCURIO EDICION INTERNACIONAL in Spanish 3-9 Sep p 5

[Text] Four explosives were thrown this morning at the house of former Christian Democrat Legislator Claudio Orrego Vicuna but there were no damages.

According to what Orrego told EL MERCURIO in his house located at 5839 Vitacura Street, at 1245--when he was already in bed--he noticed that flames were coming out of the garage where his wife's car and his own car were parked. Immediately after, they got up from bed and proceded to put out the fire with coarsely printed pamphlets, found near the explosives, which read: "No to cowardice!" "Join the people's struggle" and which were signed with an R, for resistance, and MIR [Movement of the Revolutionary Left].

COURT-MARTIAL CLEARS 3 SUSPECTS OF LETELIER MURDER

PY231230 Buenos Aires LATIN in Spanish 1756 GMT 18 Sep 81

[Excerpts] Santiago, Chile, 18 Sep (LATIN)--A court-martial has definitely dismissed the charges agianst three former Chilean intelligence officers who were accused of conspiracy to assassinate former Foreign Minister Orlando Letelier.

The court decision, released last night, refers to charges of homicide and forgery of passports to travel to the United States in connection with the assassination.

The decision confirms another decision made by the Santiago military judge, Gen Osvaldo Hernandez, last December.

The resolution states that "the investigation has been reasonably exhausted and there are no reasons to order the opening of a brief."

BRIEFS

AMBASSADOR TO U.S.--Louis Valenzuela Blanquier, the new Chilean ambassador to the United States, presented his credentials yesterday to U.S. President Ronald Reagan during a ceremony held at the White House. [Santiago Chile Domestic Service in Spanish 1100 GMT 22 Sep 81 PY]

NO COMPLAINT TO BE LODGED ON BORDER INCIDENT

PA240006 Bogota Radio Cadena Nacional in Spanish 1730 GMT 23 Sep 81

[Text] Bogota--Foreign Minister Carlos Lemos Simmonds said today that Colombia and Venezuela will exchange information on the incident that took place at the border between the two countries 15 days ago. A Colombian policeman received a gunshot wound during the incident.

In a statement to this station, Lemos said that Colombia would not lodge a complaint but will simply send an official note to President Herrera Campins' government regarding the incident.

The Foreign Ministry reported that just today a female Foreign Ministry official was sent to Caracas to deliver to the Venezuelan Government a copy of the testimony given by Indian settlers in Guainia who apparently were victims of arbitrary actions by (?Venezuelan) authorities.

Lemos made the statement to this station at Eldorado Airport while preparing to leave for China [not further identified], Japan and the United States.

MINISTER RULES OUT TALKS WITH SUBVERSIVES

PA240249 Bogota Emisoras Caracol Network in Spanish 1215 GMT 23 Sep 81

[Text] A statement by Government Minister Jorge Mario Eastman at the Chamber of Representatives ruled out the possibility that this committee, or any other official government committee, might hold a dialogue with the heads of subversive groups. The minister said that he invited the political groups to achieve a consensus in order to secure security and freedom in Colombia, without having to resort to conversations with those who are trying to do the opposite.

COMMISSION SET ON IMMIGRANT ISSUE WITH ECUADOR

PA230408 Bogota Cadena Radial Super in Spanish 2330 GMT 22 Sep 81

[Text] Bogota--The Colombian Government today accepted the Ecuadorean Government's invitation to appoint a commission to study and settle the problem of undocumented persons living in their respective territories.

The Colombian Foreign Ministry announced today that it intends to give several of its officials the task of working with the Ecuadorean commission in reviewing the problem and proposing measures to guarantee the residence of Colombian nationals in Ecuador and vice versa.

The Ecuadorean invitation came in response to the complaints which the Colombian Foreign Ministry recently filed with the government of the neighboring republic to the effect that several authorities have refused to acknowledge the validity of worker passports and have refused to register the children of Colombians living there.

SALVADORAN INSURGENT DELEGATION MEETS OFFICIALS

PY231752 Paris AFP in Spanish 1912 GMT 22 Sep 81

[Text] Lima, 22 Sep (AFP)--A delegation from the insurgents of El Salvador which is visiting officials and politicians here has asserted that the Salvadoran Christian Democratic-military junta is becoming isolated.

Ruben Zamora, Francisco Diaz and Christiana Sanchez of the Revolutionary Democratic Front and the Farabundo Marti National Liberation Front had a meeting here yesterday with Deputy Foreign Minister Jose Morelli and are now expecting to meet other prominent people.

They added that they have already made appointments to meet Luis Percovich, president of the Chamber of Deputies; Primate Cardinal Juan Landazuri; and political leaders from almost all parties.

Regarding the situation in their country, they stated that the government junta is becoming increasingly isolated internationally because of the awareness of the justice of the people's struggle against dictatorship. They were also pleased over the Mexican and French recognition of the movements they represent as indispensable political forces to achieve a political solution of the conflict. After saying that the Southern Cone dictatorships as well as Venezuela and Colombia have rejected the French-Mexican position, they stated that other countries, such as Norway, have supported it, while Peru and Ecuador have not taken sides despite pressures.

They concluded by saying that the struggle against the military dictatorship shows that the people are advancing and that their country's junta enjoys support from the United States, which has sent 56 advisers and 80 officers, in addition to arms and ammunition.

COLOMBIAN AMBASSADOR DENIES LOCAL M-19 INVOLVEMENT

PY232137 Paris AFP in Spanish 1706 GMT 23 Sep 81

[Text] Lima, 23 Sep (AFP)--Jorge Padilla, Colombian ambassador in Peru, denied having said that the Colombian M-19 Guerrilla movement is operating in Peru.

Interviewed by EL DIARIO of Lima, concerning statements to another local daily on the same issue, the diplomat emphasized that his words had been twisted around.

He added: To say that the M-19 is responsible for Peru's terrorism is foolhardy because there is no evidence to prove this claim.

He recalled that only a few days ago Peruvian President Fernando Belaunde said that he had information to the effect that Peruvian terrorism is guided, financed and directed from a democratic country.

The ambassador stressed that "the only thing I said was that international forces are unleashing a terrorist wave in our hemisphere in order to destabilize democratic governments."

He concluded by saying that "I would not be surprised if Peruvian terrorism is being moved by the same strings which are being pulled to destabilize President Turbay's regime, without our being able to say precisely from where the pulling is being done."

ZAMBRANO ON RELATIONS WITH COLOMBIA, EL SALVADOR

PA230430 Buenos Aires LATIN in Spanish 1630 GMT 21 Sep 81

[Text] Caracas, 21 Sep (LATIN-REUTER)--Foreign Minister Alberto Zambrano affirmed there are no conditions for renewing negotiations with Colombia on the territorial differences between the two countries. He denied Venezuelan troops had been sent to El Salvador.

He also denied the existence of deterioration in relations with Mexico as results of the antagonistic positions of the two countries concerning El Salvador.

A communique released by the Communist Party of Venezuela (PCV) last week charged that the government had earmarked military units and equipment to be sent to that convulsed Central American country.

"It is absolutely false that Venezuela has intervened and, least of all, that Venezuela has supplied arms," Zambrano said in an interview published today in EL NACIONAL.

Venezuela has given its political and economic support to the government of President Jose Napoleon Duarte, which is harassed by a permanent offensive by the leftist guerrillas trying to overthrow it.

Zambrano explained that through such support Venezuela "has propitiated the establishment of a democracy and the support of the principles of legitimacy and legality of a government that has done a tremendous job to overcome the social problems affecting the country."

Concerning the territorial conflict with Colombia, Zambrano noted that "this is not the best moment to renew negotiations."

Colombia and Venezuela are in disagreement over the demarcation of marine and submarine areas in the Gulf of Venezuela. Venezuela proposes direct negotiations while Colombia is inclined toward arbitration by a third party.

"Venezuela has always maintained the thesis that the solution to these problems should be sought through negotiations. Such is the firm viewpoint of Venezuela. On the other hand, Colombia discusses the possibility of choosing a different method of solution," he said.

During the interview, Zambrano explained the general outline of Venezuelan foreign policy.

Referring to relations with Mexico, the foreign minister said they remained on a level of "great cordiality." Early this month Mexico and France announced their political recognition of the Salvadoran leftist guerrillas. Later Venezuela and eight other Latin American countries branded the declaration as "interventionist" and reiterated their support for the government of Napoleon Duarte.

"It is merely a difference of opinion and interpretation concerning one specific topic," Zambrano said.

OFFICIAL RULES OUT POSSIBLE TALKS WITH CUBA

PA231843 Madrid EFE in Spanish 0114 GMT 22 Sep 81

[Text] Caracas, 21 Sep (EFE)--Oswaldo Paez Pumar, deputy foreign minister of Venezuela, has ruled out the possibility of a dialogue with Cuba following a statement made by Fidel Castro, who blamed the cooling of relations on the development of the trial for the explosion of a Cuban plane in 1976.

The possible release of the persons charged with blowing up the Cubana de Aviacion airplane on 6 October 1976 as the plane was between Barbados and Havana on a return flight from Caracas was cited by Castro as the basic problem in the relations.

Regarding the status of the trial, Paez Pumar said: "A decision in the case is not in the government's hands, because we adhere to the principle of the separation of powers, which is not the case in Cuba."

The accused, several anti-Castro individuals in exile in Venezuela, were declared innocent for lack of evidence by a civil judge. The case is currently being handled by a military court.

Paez Pumar said that the problem between Venezuela and Cuba is caused by Fidel Castro's refusal to permit 17 refugees in the Venezuelan Embassy to leave Cuba. He added that the government is continuing efforts to obtain safe-conducts for the refugees.

"Castro's statements are singularly aggressive and his claim that the alleged handling of the Cubana airplane problem is the cause of the deterioration of relations are simply lies," the Venezuelan deputy foreign minister reiterated.

He added that the relations deteriorated totally when, in April 1980, there was a "sudden" interruption of negotiations for the departure of the refugee "who were in our embassy." Their release is still being sought.

Finally, regarding the possibility of a dialogue between Cuba and Venezuela, the deputy foreign minister said that, in the wake of Castro's statements, "no such possibility exists."

According to Fidel Castro, investigations in Barbados and Trinidad indicated that Venezuelans Freddy Lugo and Hernan Ricardo placed a bomb in the Cuban airplane, and for this reason he cannot accept their release.

Seventy-three persons, 57 of them Cubans, died in the accident. Most were young athletes who had participated in fencing competitions in Venezuela.

BELIZE

PRICE ON UNITY, DEFENSE, GUATEMALA, GUERRILLAS

PY221841 Buenos Aires CLARIN in Spanish 19 Sep 81 p 16

[George Price, prime minister of Belize, undated "exclusive interview" with Mario Stilman; place of interview not given]

[Text] Belize, 18 Sep--George Cadle Price is 62 years old. He was a seminarian in his student days, and during the 40's he emerged as the leader of the nationalist movement, helping to found the United Peoples Party (UPP). When Great Britain yielded partially to anticolonialist pressure--to a great extent because of the outburst which followed the imposition of the devaluation of the Belizan dollar when the colony exploded in resentment against the mother country--Price was elected to Parliament. Years later, in 1964, he assumed the leadership of the government when internal autonomy was authorized for the territory. He was reelected in 1969, 1974 and 1979 and is one of the most stable leaders in the region.

Price is ascetic by nature. Even his opponents admit that he does not seek personal fortune. Having a salary which guarantees him a comfortable life, Price lives alone, a bachelor, in a modest house in the capital, Belmopan, in the interior of the country.

Although considered the architect of the decolonization process in Belize, the negotiation with Great Britain and Guatemala could have cost him a great deal of political power and personal prestige.

CLARIN: Mr Minister, what do you expect from Belize's independence?

George Price: In the first place, the consolidation of a Belizan national consciousness, which to a great extent has been manifested since the recovery of our rights began. The people have actively participated in the process which will culminate on the 21st with the declaration of independence. The people shall be the architects of their own destiny. We could not continue to allow Belizans to feel inferior--which prevented them from demonstrating all their intellectual and work potential--to constantly realize that they were a colonized people. Second, to place Belize as a sovereign nation on a level of equality among other countries, without state decisions being submitted for decision by a mother country. The place that belongs to Belize is not only that of integration with other Central American countries, with which Belize will maintain ties of unity, but rather with all the countries of the world.

[Question] At the beginning you had to grant more concessions to Guatemala than your mandate allowed. Later, faced with the pressure of the opposition, you yielded so that the "bases of understanding" could be realized and thus achieved the unilateral declaration of independence. What is this due to?

[Answer] I must tell you that my mandate for negotiating independence was unlimited, although by no means could I exceed my authority. You must understand that the future of a country cannot be bought in a wholesale store. When we signed the "bases," I was completely aware of the concessions that I granted, but they were necessary in order to arrive at a provisional agreement. Afterwards we would enter into a period of bilateral negotiations with Guatemala to redefine the most suitable terms, the firm limits of these advantages.

[Question] Was there pressure?

[Answer] Yes, there was. And the negotiations would have entered into a stalemate which would have blocked compliance with the UN mandate that Great Britain had to grant independence to Belize before the end of 1981. London had to ensure that Guatemala would not block Belize's independence by claiming that it had to reform its constitution in order to renounce its rights over Belize. Such a procedure, of course, would have maintained the status quo. This is the reason, I repeat, why the concessions were only provisional....

[Question] But weren't they excessive?

[Answer] They were, but there were pressures. Don't you consider the British demands for economic cooperation in order to restore Argentine sovereignty over the Malvinas Islands excessive? Can a country's right to recover its territory be substituted for by an economic agreement? That, as in our case, is a form of pressure. There was no alternative: Belize needed to be independent.

[Question] Don't you fear a Guatemalan reaction?

[Answer] I expressed to Guatemalan Foreign Minister Rafael Castillo Valdez my government's disposition to enter into a close friendship and to favor an exit to the Caribbean through the territory of Belize. But by no means could we agree to hand over the keys which Guatemala demands in perpetuity and, even less, could we allow those keys to be used for military bases.

[Question] But Guatemala is concentrating troops along the border.

[Answer] I believe that this is to satisfy the internal demands of the extreme right, but I am convinced that there will be no conflicts. At the moment the 1,600 British troops with three helicopters and four Harrier jump-jets are sufficient to safeguard our sovereignty.

[Question] And when the British leave the territory of Belize?

[Answer] We are training the Belizan defense force.

[Question] Will that be sufficient?

[Answer] No, that's certain. The Guatemalan Army has 15,000 men, but we count on the consensus and support of the majority of countries of the world and this is an invaluable force exerting pressure.

[Question] Do you believe that the possibility of establishing a "multilateral defense agreement" in which the United States, among others, would participate is viable?

[Answer] It is a likelihood in the case that our independence is endangered. There are those who say that it is very easy to call in the marines [given in English], but it is much more difficult to get them to leave. Because of this I think that our best defense is a clear and well-written peace treaty with Guatemala.

[Question] The opposition accuses you of maintaining leftist positions and, moreover, that with the independence of Belize you will allow arms traffic for the guerrillas in El Salvador and Guatemala.

[Answer] The right always accuses those who defend the causes of their people of being leftists. My political career has been characterized by finding national unity for Belize in the midst of the ethnic heterogeneity which prevails in the country, and this is why I have been reelected so many times.

[Question] But do you support the Salvadoran and Guatemalan guerrillas?

[Answer] I don't support them, but I understand that there is popular discontent in those countries. Regarding your previous question, I will tell you that by no means will I allow Belize to become the transit territory for arms, and even less will I allow it to become the training ground for guerrillas, as my opponents say in order to force U.S. intervention. Those arguments, I know, are closely linked to the relations I maintain with revolutionary government....

[Question] Specifically with Fidel Castro?

[Answer] Yes, with Fidel Castro. But what does that mean?

I believe that Belize, as a Third World country, should belong to the Nonaligned Movement and in that movement there are a variety of ideological viewpoints that are not necessarily revolutionary. But, at the same time, this does not mean that we can't maintain excellent relations with the United States also. Even more, we are disposed to accept the presence of multinationals as long as they adapt themselves to the economic rules of the country. As an underdeveloped nation we need the help of all countries that may be willing to offer assistance, without ideological distinction. We only ask that they respect our individuality and our capacity to decide for ourselves.

CONGRATULATIONS OFFERED ON OCCASION OF INDEPENDENCE

Antigua's Congratulations

FL212110 Bridgetown CANA in English 2053 GMT 21 Sep 81

[Text] St Johns, Antigua, 21 Sep (CANA)--Antigua was among Caribbean and other countries which today dispatched congratulations to Belize Prime Minister George Price on his country's attainment of independence from Britain.

In his message, Antigua's premier, Vere Bird, said that he looked forward to continued close cooperation between the two countries, as they worked towards the achievement of the common goals of the peoples of the Caribbean.

Antigua, Barbuda and Redonda will be the next Caribbean state to become independent on 1 November.

Dominica's Congratulations

FL211945 Bridgetown CANA in English 1737 GMT 21 Sep 81

[Text] Roseau, Dominica, 21 Sep (CANA)--Dominica today reminded the newly independent Central American country of Belize that it too had a commitment to the promotion of international peace and security, now that it had formally received its independence from Britain.

In a congratulatory letter sent to Belize Prime Minister George Price, his Dominica counterpart, Eugenia Charles, said that with today's attainment of independence by the Central American country, she was looking forward to continued cooperation between the two states.

Belize today became the 45th member of the Commonwealth but its independence celebrations have been overshadowed by a territorial claim from neighboring Guatemala to a portion of the former British colony.

Miss Charles' letter, which was handed over to the Belizean leader by Agriculture Minister Heskieth Alexander, who is representing Dominica at the celebrations, was released to the press here today.

"We also look forward to a further strengthening of the bonds of friendship that already exist between our two countries," the Dominican leader said. "The Commonwealth of Dominica looks forward also to the deepening and intensification of Belize's involvement in the regional integration movement as a direct result of such independence."

Mr Alexander also carried with him a letter from the acting president, Clarence Seignoret, to Belizean Governor-General Dr Minita Gordon.

Bishop's, Ramirez' Comments

PA231643 Panama City ACAN in Spanish 1220 GMT 22 Sep 81

[Excerpt] Belize, 22 Sep (ACAN-EFE)--Leaders of Grenada and Nicaragua have admitted that relations between the United States and their two countries, respectively, are at their "lowest point."

Grenadian Prime Minister Maurice Bishop and Nicaraguan leader Sergio Ramirez Mercado attended the independence day ceremonies of Belize, a Central American-Caribbean state of 23,000 square km and 150,000 inhabitants.

According to Bishop, the deterioration of diplomatic relations between the United States and Grenada is due to the fact that Ronald Reagan's republican administration seeks to "impose its decisions in the Caribbean area." Conservative U.S. sectors describe the Bishop regime as communist and say that it follows Cuba's instructions.

"In any case," Bishop said, "we will not be the ones to break off those relations, since the U.S. tourists that come to our country yearly total more than the inhabitants of Grenada, which means that we would be the losers."

Bishop said that the U.S. military maneuvers in the Caribbean are a rehearsal for subsequent invasions of Cuba, Grenada or Nicaragua.

British Delegation Departs

PA231532 Belize City Domestic Service in English 0400 GMT 23 Sep 81

[Text] The British delegation led by Prince and Princess Michael of Kent and including Mr Nicholas Riddle, member of parliament, were seen off today at the Belize International Airport by the prime minister, (?the Honorable) George Price, the governor-general, Dr Minita Gordon, the attorney-general, Mr Said Musa, the British high commissioner to Belize, and the former governor, Mr James Hennessy.

Four Caribbean leaders, Mr Maurice Bishop of Grenada, Mr Domenico Martina of the Netherlands Antilles, Mr Winston Cenac of St Lucia and Jamaica's Edward Seaga were in Belize for the celebrations.

There were also two Central American leaders, junta member Sergio Ramirez of Nicaragua and Costa Rica's president, Mr Rodrigo Carazo.

Meanwhile, messages and telegrams of congratulations [words indistinct] Belize on its independence continue coming in.

EL SALVADOR

REPORTAGE ON ARMED FORCES, GUERRILLA CLASHES

Massacre in San Vicente

PA221744 San Salvador LA PRENSA GRAFICA 21 Sep 81 pp 2, 25

[Text] San Vicente--About 30 people, among them children, women and elderly people, were ruthlessly murdered on Friday in several places in Las Pozas Canton about 2 km southeast of here. The army blames leftist extremists for the massacre. The murders began around midnight.

An officer of the 5th Infantry Brigade stationed in San Vicente said that at 0500 the army learned of the massacre and sent troops to the area, where they found bullet-riddled bodies scattered all over the town. The officer said that the massacre might have been caused by the peasants' refusal to cooperate with the extremists.

When asked if civilians had been evacuated from the area to prevent any casualties, he replied that they had, but that apparently some poor people had stayed behind despite the warnings to leave.

He said that most of the dead had not been buried, because when burial had been attempted, group had fired from nearby hills, preventing the operation.

Weekend Guerrilla Activity

PA222303 Havana International Service in Spanish 1600 GMT 22 Sep 81

[Text] Reports from San Salvador indicate that over the weekend several guerrilla columns of the FMLN occupied the town of Coyolar, Chalatenango Department. The reports add that during the clash, three members of the armed forces of the genocidal Christian Democratic junta were killed.

The reports note that despite the bombing of Coyolar by the army of the Salvadoran tyranny, the guerrilla forces captured a large quantity of weapons, munitions and medicines and took them into the nearby mountains.

Earlier, guerrilla forces controlled for several hours the town of San Ignacio, also in Chalatenango Department, while in Suchitoto, several military posts were attacked. The casualties inflicted were not revealed.

Meanwhile, the Human Rights Commission of El Salvador described as murder the deaths of two persons who were riddled by gunfire near the Mariona Prison.

FMLN SAYS U.S. OPPOSED POLITICAL SOLUTION

PA221743 Havana International Service in Spanish 0000 GMT 20 Sep 81

[Statement by Mario Aguinada Carranza, member of the Revolutionary Unified Directorate [DRU] of the FMLN, in the press room of the Conventions Palace in Havana; on 19 September--recorded]

[Text] We do believe that there have been possibilities for a political solution to the Salvadoran conflict, and we have been willing to accept that type of solution.

In December last year, the FMLN (Farabundo Marti National Liberation Front) called on the world, and specifically the U.S. Government, to suggest a dialogue in search of a solution to the Salvadoran conflict, because we are aware of the fact that only U.S. support has permitted the reactionary junta and the army to resist the struggle of our people and our heroic fighters.

The response to our position was increased aggression. This aggression was increased after 10 January, before Carter left the presidency. It was further increased with the arrival of Reagan as president.

But should the war grow? The FMLN and the Revolutionary Democratic Front, FDR, have maintained their willingness to achieve a negotiated solution. On 28 February, the FMLN and the FDR, during a meeting of the Caribbean bureau of the Socialist International in Panama, accepted the offer of the Socialist International to mediate between the parties in conflict.

We not only accepted the mediation, we have worked for it. We have held talks with international Christian democracy. We have actively sought out important U.S., European and Latin American personalities. We have made known our position in favor of a negotiated solution through international mediation.

It has been the government junta and U.S. imperialism which have opposed this. They have been ridiculous enough to offend Schmidt and Willy Brandt, chairman and deputy chairman, respectively, of the Social Democratic Party and the Socialist International [as heard; Schmidt does not hold any position in the Socialist International].

So, what is opposing a negotiated or peaceful solution of the conflict? The interventionist will of the United States. This will is being increasingly expressed in the form of military and political aid and so forth.

HECTOR DADA CRITICIZES CARACAS DECLARATION

PA222009 Havana International Service in Spanish 0000 GMT 22 Sep 81

[Interview with Hector Dada, former Salvadoran foreign minister, at Palace of Conventions in Havana--recorded]

[Excerpt] [Question] Mr Dada, you were foreign minister of the Salvadoran junta and know Duarte. Do you think he has any role to play in El Salvador?

[Answer] I would say that Duarte's role is more outside El Salvador. It is the only way for the Reagan administration to justify the existence of a center-of-the-road government which is being besieged by both extremes. Duarte is merely a prisoner of the role he has been assigned and which he has been prepared to play, regardless of whether he is doing so consciously or unconsciously.

[Question] Mexico and France recently issued a declaration recognizing the political representation of the Revolutionary Democratic Front and the FMLN [Farabundo Marti National Liberation Front], which prompted a declaration issued in Caracas condemning the French-Mexican declaration. What is your opinion of the meaning of the Caracas declaration?

[Answer] The Caracas declaration means that the friends of Duarte's government are powerless to obtain the support of democratic countries. I have said several times that I consider this a most notorious expression of the Social Christian Party. It is defending an allegedly democratic solution by using the most undemocratic and repressive government of the continent. This means that its policy has failed. Naturally, this has caused the natural rejection of the people, especially the Venezuelan people of their government's policy.

I believe that the Caracas declaration is a resounding success for the French-Mexican position. It demonstrates that the latter is right. Depending on who is the enemy, one can justify their actions. I believe that Mexico and France have demonstrated that they have taken a step forward which is positive and correct. The Caracas declaration demonstrates the U.S. position on the Salvadoran conflict. It would have been in very bad taste if the present declaration had been promoted by the United States, instead of giving this role to Venezuela.

It is sad for me as a Christian Democrat and personal friend of Luis Herrera Campins to see Luis [words indistinct] fascist repression which contradict his Christian Democratic principles which we have so often discussed.

BUSINESS LEADER URGES PRODUCTIVE FORCES TO UNITE

PA230117 San Salvador EL DIARIO DE HOY in Spanish 22 Sep 81 pp 3, 20

[Excerpts] "Improving the unity between business and the forces that generate the wealth of the country is an imperative national task," Engineer Conrado Lopez Andreu, president of the chamber of commerce and industries of El Salvador, said yesterday.

During a meeting with newsmen at the chamber, it was announced that this entity is one of the sponsors of the national convention of production unity to be held on Saturday, 26 September, at the National Gymnasium, from 1300 to 1700 hours.

Engineer Lopez Andreu said that "one of the basic objectives of the convention is to achieve this business unity with the other work forces such as professionals, workers, merchant women in the market and with all the other sectors, such as farmers, cattlemen, craftsmen, secretaries and even housewives, who are the motors which generate production and productivity in the country."

He added that he considers that it is imperative to get these constructive forces to unite as the only way to defend and rescue our country from the acute crisis it is suffering due to terrorist violence and the lack of political measures by the government to promote production and private enterprise in general.

Further on, he added that the organizers want the convention to be a civic and patriotic demonstration by conscientious Salvadorans who have the will and determination to fight to save the country.

Regarding the foreign economic aid which the country has received, he said that "up until now, neither small, medium nor large enterprises have received any of this aid. That aid has not arrived."

When asked what private business will do to reduce the unemployment of more than 40,000 Salvadorans, he said that "as long as the present conditions exist, the antibusiness measures of the government and the subversive actions, unemployment will continue in the country. Business needs other conditions to reopen and open new sources of work. "We keep many jobs open at great sacrifice. We are already making this effort." [quotation marks as published]

Regarding Engineer Duarte's trip to the United States, he said that "we believe that Duarte has gone to the United States to try to change the distorted image that the United States has of our country. There are difficult situations there that supposedly have been caused by the business sector, which is not true."

Finally, he said that the private sector was the first to ask for elections to form the constituent assembly. They also asked for amnesty so all the terrorists would lay down their weapons.

GUATEMALA

KIDNAPPERS WILLING TO TRADE MINISTER FOR PRISONERS

PA102030 Guatemala City Radio Nuevo Mundo in Spanish 1200 GMT 10 Sep 81

[Text] In their first contact with the relatives of Dr Roquelino Recinos Mendez, public health and social assistance minister, the kidnappers demand the freedom of four prisoners confined in Zacapa and Quezaltenango jails. The kidnappers say that they will release the minister in exchange for the prisoners.

Yesterday [word indistinct] a coat belonging to the minister was found next to two letters signed by him. One of them was addressed to his relatives. In it, Minister Recinos says that the kidnappers demand the freedom of four prisoners detained in Zacapa and in Quezaltenango. The minister's coat was found on 11th Avenue in Zone 11 of the capital city. The coat had fresh bloodstains but it is not known if the minister might have been wounded.

According to the messages, the four prisoners could be members of a guerrilla organization. The name of the guerrilla group which kidnapped Health Minister Dr Roquelino Recinos Mendez remains unknown.

The two messages signed by the minister and addressed to his relatives and to [words indistinct] the name of the group which kidnapped him.

Messages From Recinos

PA231341 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 22 Sep 81

[Excerpts] This afternoon the "Here's the World" program received a letter supposedly handwritten by kidnapped Health Minister Roquelino Recinos Mendez. The message, which arrived inside a bouquet of flowers, is accompanied by a bulletin presumably written by members of an unidentified subversive group. This has been the first public communication from the health minister, who was kidnapped on 31 August. The minister's message says:

To the international press: Gentlemen of the international press, I am writing so that you may contribute in some way to obtaining my freedom. I appeal to your kind hearts, and I ask you to help me and to cooperate with me in this hour of need by publishing the information that I am attaching, which is true and legitimate. I am attaching it so that the people will learn about it, so that it will be read by everyone. I hope that in this way they will contribute to obtaining my freedom so that I can return to my home to be with my father, my wife and my children.

Gentlemen, hoping that this favor will be granted, and once again appealing to your hearts and thanking you in advance, I remain, Roquelino Recinos Mendez, September 1981.

The letter is supposedly signed by the health minister. The note which accompanies the minister's message asks the government to release four people as a condition for releasing the minister. One of them is 65 years old and was captured in Baja Verapaz in Quezaltenango.

The message from the minister's alleged kidnappers is entitled "No Life Is Worth More Than Another, But the Life of the Meek Is More Useful Than That of the Powerful."

In its first paragraph it says that for security reasons and tactical advantages, the clandestine group that is holding the health minister is not identifying itself. The message is one and a half pages long and is written on letter-size paper.

The kidnappers of Health Minister Roquelino Recinos have contacted (Adolfo Castaneda Verije), president of the Medical Association to negotiate the release of the health minister through him. Tonight (Castaneda) said:

(Begin recording) I have had written communication with the kidnappers and they have asked me to intervene to obtain some conditions which would be acceptable to the government.

[Question] Was this communication by letter or by telephone?

[Answer] The communication has been by letter. Generally, the letters have been sent to my home. Sometimes I have received telephone calls to discuss some message or note that they wish to deliver.

[Question] Have they reported on the minister's health?

[[Answer] No. But from the personal letters from Dr Recinos, I have been able to ascertain that he is in good health and that he wants to return to his ministerial activities soon. He also asks for intervention to obtain his release based on the conditions they have set.

I have agreed to mediate because it is a commitment I have as president of the Medical Association. It is a personal and humane commitment, and I believe that anyone would have accepted it. The pertinent steps with the government have geen taken to satisfactorily solve this situation. We have already made the necessary contacts. [end recording]

The president of the Medical Association received a letter at home today. This letter was apparently sent surreptitiously by the minister's kidnappers. It was placed under the door and its contents were probably more or less the same as the one sent to "Here's the World."

Doctor (Castaneda Verije) said that he believes the minister's signatures on the two letters to be authentic.

Deputy Health Minister Gustavo Cordero said that he has received no news about Dr Roquelino Recinos:

[Begin recording] Up to this moment I have not received any type of communication at this ministry's office. Our only knowledge has come through the press, radio and television regarding the letter found along with the coat. [end recording]

Deputy Minister Cordero questioned the authenticity of the document received today which was supposedly signed by Minister Recinos asking for help:

[Begin recording] If you had asked me sooner, I would have said that only an expert, a graphologist, could say with certainty if the signature is the minister's or not. At first glance it looks like Dr Recinos' signature but the characteristics are specific and only an expert could tell you if a specific person has signed a specific document. [end recording]

The minister of health's office continues to be empty at the National Palace while speculation on the outcome of his kidnapping increases. The government recently announced that it will not negotiate with the kidnappers.

Kidnappers' Demands, Threats

PA232140 Paris AFP in Spanish 1730 GMT 23 Sep 81

[Text] Guatemala City, 23 Sep (AFP)--A Guatemalan guerrilla command today threatened to kill Health Minister Roquelino Recinos, who was kidnapped 3 weeks ago, if four members of its movement captured by the army are not released.

In a paid advertisement published in the Guatemalan newspapers, the guerrillas demand the release of four of their militants and warn that otherwise "the popular justice will be implacable with Minister Recinos."

The health minister was kidnapped last 30 August while leaving his private clinic in downtown Guatemala City. Since then the government has received two letters signed by the minister himself in which the guerrillas announce their demands.

The group that kidnapped the minister did not identify itself "for reasons of security and tactical advantage." They state that the militants whose release they are demanding are in military zones "where they are subject to cruel tortures."

The guerrillas' announcement notes that Minister Roquelino Recinos "is not an apostle of social assistance" and that they regard "all the appeals demanding his release as vain and false."

Finally, the kidnappers warn that they want their companions alive "in the manner demanded opportunely" and add that "therefore, we will not retreat from or alter our demands."

Guatemalan President Gen Romeo Lucal Garcia had said previously that "we will not negotiate with the kidnappers, because they are outside of the law."

HONDURAS

U.S. CITIZENS SHOT, LEGISLATIVE PALACE BOMBED

Related Incidents

PA231604 Panama City ACAN in Spanish 1539 GMT 23 Sep 81

[Text] Tegucigalpa, 23 Sep (ACAN-EFE)--Four men armed with machineguns kidnapped an unidentified young woman this morning in the outlying southwestern part of Tegucigalpa. The unidentified men who were in a yellow taxi with license plate 363 were escorted by a small Japanese-make blue vehicle.

Minutes before, the home of Col Rolando Mejia Garrigo, deputy minister of communications, public works and trnasport, had been strafed by machinegun fire, although there were no casualties among his family.

The police presume that the kidnapping was connected to the attack on Colonel Garrigo's home.

Early this morning a bomb exploded in the third floor of the Legislative Palace, which is the seat of the Constituent National Assembly in the heart of Tegucigalpa.

U.S. Target Reported

PA231627 Tegucigalpa Voz de Honduras in Spanish 1430 GMT 23 Sep 81

[By journalist Milton Mateo]

[Excerpt] Apparently there is some confusion on the incident which occurred about 1 hour ago in the vicinity of the Christopher Columbus monument on European Economic Community or Toncontin Boulevard. At Las Torres Bridge, approximately 150 meters from the Christopher Columbus monument en route to El Batallon, several individuals in a yellow taxi, number 373, armed with machineguns, fired on a car in which a U.S. citizen was traveling, presumably a member of the U.S. military mission in Tegucigalpa.

Several of the shots fired by the individuals hit the home of Col Rolando Mejia Garrigo, under secretary of communications, public works and transportation. His home is near Las Torres Bridge. Fortunately no one was injured in the house.

The public security forces here have refused to give any information on the identity or condition of the person in the car which was fired upon. The attackers in taxi number 373 fled, and the taxi is presumably now abandoned somewhere in the city.

Two U.S. Officials Hit

PA231836 Paris AFP in Spanish 1821 GMT 23 Sep 81

[Text] Tegucigalpa, 23 Sep (AFP)--A U.S. Air Force sergeant was "wounded seriously" while another sergeant of the armed forces suffered "slight" wounds after being fired upon this morning by unidentified persons in Santa Barbara sector in southern Tegucigalpa, the U.S. Embassy has confirmed.

A preliminary report by the U.S. mission explained that the victims "are part of a military training team (MTT) that was invited into the country by the Honduran Government.

More on Palace Bombing

PA231838 Tegucigalpa Voz de Honduras in Spanish 1130 GMT 23 Sep 81

[Excerpts] A bomb has exploded either on the third or fourth floor of the Legislative Palace in Tegucigalpa. We have been told that it is possible that there are two more bombs in the building and they could be close to the site where the first one exploded.

Now we will listen to statements made by Public Security agents and by the lady who received the call saying that a bomb would explode in 5 minutes and that 30 minutes afterward another bomb would explode. Let's listen to the statements made by employees and Public Security officials.

[Begin recording] [Question] Sargeant, what happened in the Legislative Palace?

[Answer] A bomb exploded. We were called to take notes. The bomb exploded on the second floor.

[Question] Have you gone in?

[Answer] Not yet. We believe there is another bomb in there.

[Question] Who told you that?

[Answer] The lady who was unable to speak [words indistinct].

[Question] How powerful was the bomb?

[Answer] It caused some damage. Property losses only.

[Question] No one was injured?

[Answer] No. No one. [end recording]

After inspecting the place, the Public Security authorities noticed that the bomb which, according to a telephone call, was supposed to explode in 30 minutes, had not exploded. After a search with special equipment throughout the Legislative Palace, they can say that there is no other object like the one that exploded before 0800 today.

Major (Trejos), who is in charge of the Public Security patrol doing the search, as well as authorities of the department of national investigation, have told this radio station that it is very possible that there is no other bomb in the building.

Guerrilla Group Claims Credit

PA232342 Paris AFP in Spanish 2234 GMT 23 Sep 81

[Text] Tegucigalpa, 23 Sep (AFP)--Credit for this morning's attack on the National Constituent Assembly with a powerful bomb and the shooting attack on the U.S. military advisers was claimed by the "Lorenzo Zelaya" People's Revolutionary Command.

The command, which is part of the Cinchoneros guerrilla group, said here today in a document that through such actions "we are unleashing war against our enemies, who are directly responsible for the current repression against the people of Honduras and Central America."

"Besides, this action is the expression of the Honduran people's repudiation of the use of our territory to promote counterrevolutionary aggression against the sister nations of Nicaragua and Cuba as planned through the 'hawk view' maneuvers to be staged by the Yankee army and its Honduran puppets during the latter part of (?September)," the document noted.

Last March the Cinchoneros staged another bombing attack on the National Constituent Assembly. On the following day they hijacked a Honduran plane to Nicaragua.

The guerrillas added that "Central America is presently experiencing the most important and bright period of its history: a period of definite liberation, of the overthrow of the exploiters and the construction of a new society."

With the slogan [words indistinct] peoples [words indistinct] misery and exploitation, the Yankees, the local oligarchs and their counterrevolutionary armies in the [words indistinct] to uphold their privileges resort to savage repression against the latter," [words indistinct] they note in their document.

(?The presence) in our country of some 25 Yankee marines, the modernization and expansion of military installations and the increase of the armaments of all the security forces of the army, already reflect the phase of the Yankee's plans for (?direct) intervention against the people and (?brothers) [words indistinct] repressive and [word indistinct] against the popular organizations of our country," the Lorenzo Zelaya group (?pointed out). The group added: "In this [word indistinct] we must view the constant arrests, abductions and raids against leaders of the popular movement." They also added, "in [words indistinct] intended to solve the [word indistinct] crisis to legalize the oligarchic and military power and to guarantee the economic, political and the Yankees' military presence in this country."

In conclusion, the document states that "the development of revolutionary war is the only path that guarantees the definite liberation of our people" and "the Lorenzo Zelaya People's Command, as a genuine expression of these people, unleashes war against our enemies."

Army Increases Vigilance

PA240320 Panama City ACAN in Spanish 0013 GMT 24 Sep 81

[By Armando Serrato]

[Excerpts] Tegucigalpa, 23 Sep (ACAN-EFE)--Special forces of the Honduran Army are guarding public buildings and all access roads to and from Tegucigalpa, capital of Honduras, following the dynamiting and machinegun attempts early Wednesday morning.

The center of the city is teeming with policemen armed with .30-cal M-1 carbines, .38-cal revolvers and special communication equipment, while the outposts have been reinforced with light automatic weapons. Special "Cobra" Battalion agents, similar to U.S. "Swat" teams, have taken up some positions, although their presence is less obvious.

There has been no information yet on searches along the nation's highways, although it is expected that the highways will be closely watched by patrol cars and army vehicles.

Responsibility for the attacks was claimed by a "Cinchonero" group identified as the "Lorenzo Zelaya" People's Revolutionary Command, which belongs to the Honduran ultraleftist forces. In the communique, the "Cinchoneros" said they have declared war on U.S. imperialism and its allies in Honduras.

The Honduran Army announced today that the chief of the U.S. Inter-American Defense Board, Maj Gen John Winn McNery, had postponed his visit to Honduras, previously scheduled for Wednesday afternoon. The army denied any connection between the postponement and the attacks. An army spokesman reiterated that the present bad weather conditions caused the U.S. official's absence. The spokesman said that the official may arrive tomorrow. National and international flights, however, have not been interrupted in Honduras, which was enjoying a soft breeze.

The special forces deployed in the capital are carrying long and short automatic weapons and are dressed in combat fatigues.

USICA OFFICIAL DENIES PLOTTING AGAINST REBELS

PA240030 Panama City ACAN in Spanish 1658 GMT 23 Sep 81

[Text] Tegucigalpa, 23 Sep (ACAN-EFE)--Crescencio Arcos, director of the U.S. International Communications Agency (USICA) in Honduras, denied today, in this capital, that he is involved in counterrevolutionary plans to invade Nicaragua and to attack guerrillas in El Salvador and Guatemala.

Arcos and several Honduran Army officers were accused in San Jose, Costa Rica, by Camilo Rivera, a spokesman of the Salvadoran opposition, of "encouraging counterrevolutionary plans from Honduras."

According to the report, the counterinsurgency plans include "espionage, kidnapping and military training for an attack on Salvadoran and Guatemalan guerrilla positions, as well as for a surprise attack on and invasion of Nicaragua."

The U.S. official said that these charges are "a lie invented to undermine the international prestige of the governments of Honduras and the United States."

According to Camilo Rivera, "some 200 Puerto Rican mercenaries, trained by U.S. Green Berets, were transferred to Honduras to participate in the counterrevolutionary plan."

Crescencio Arcos denied that members of the U.S. Army are training Honduran soldiers or mercenaries of other nationalities to fight guerrillas in any country. "The U.S. Army advisers who are working in Honduras are part of the general assistance program that has existed between the two countries for over 20 years. In no way are they participating in any counterrevolutinary movement," the official explained.

In addition, Jack Robert Binns, U.S. ambassador to Honduras, has said that "this charge will receive no special investigation, because we do not investigate nonsense."

COSTA RICA'S CARAZO MAKES BRIEF STOPOVER

PA221851 Buenos Aires LATIN in Spanish 1838 GMT 21 Sep 81

[Text] Tegucigalpa, 21 Sep (LATIN-REUTER)--Costa Rican President Rodrigo Carazo said here today that his government supports a political solution to the problem of violence in El Salvador.

Carazo, who spent 2 hours in this capital during a service stopover en route to Belize, added that during last week's meeting with Salvadoran President Jose Napoleon Duarte in the Costa Rican capital, he expressed the wish of his government that a political solution be found to the Salvadoran situation.

"The call to dialogue made by the Salvadoran Government to the opposition is sincere and should be supported by countries who are concerned with what is happening there," Carazo stated.

He added that the guerrillas should engage in dialogue with the Salvadoran Government to reach an agreement to put an end to the civil war in the country, which has cost so much blood to the Salvadoran people.

The Costa Rican chief of state came out against foreign intervention in the domestic affairs of Central American countries and maintained that the only way to resolve the political problems of the region is through electoral processes.

NEWSPAPER REPORTS PRESIDENT TO VISIT EL SALVADOR

PA181654 Tegucigalpa Voz de Honduras in Spanish 1145 GMT 18 Sep 81

[Text] The daily TIEMPO reports on page 3 that General Paz Garcia will visit El Salvador. According to the report, the provisional president of Honduras will meet with Napoleon Duarte and Jaime Abdul Gutierrez.

Here is the report:

President Policarpo Paz Garcia is preparing an unexpected trip to El Salvador for the purpose of meeting with Napoleon Duarte and Jaime Abdul Gutierrez to discuss the crisis in that country and the possibility of finding a political solution to that crisis.

Unofficial sources have told this newspaper that General Paz Garcia's trip will take place at the end of this month, when the general reviews the basis and protocol of the bilateral trade agreement about to be signed.

Spokesman for private enterprise have said they know of the trip, which supposedly will last 2 or 3 days. The subject of the meeting will be, basically, the Salvadoran crisis. The visit will have to take place soon, since Napoleon Duarte will leave for Washington next week to meet with Alexander Haig and Ronald Reagan to ask them for more military aid.

According to TIEMPO, the visit to El Salvador was previously scheduled for last week, but because of the trip to Mexico it had to be lowered on the government's list of priorities.

It is possible that the visit to the sister nation will be used to sign the basis and protocol of the new bilateral trade treaty that will open the doors of an important market, the Honduran market.

MISSING PASO LEADERS REAPPEAR AFTER 3 WEEKS

PA232114 Panama City ACAN in Spanish 1526 GMT 22 Sep 81

[Text] Tegucigalpa, 22 Sep (ACAN-EFE)--Two Honduran Socialist Party [PASO] leaders who had been missing for 3 weeks reappeared yesterday in deplorable physical condition and with evident signs of having been tortured for several days.

The two leaders appeared at a place called La Caoba, Paraiso Department, near the Nicaraguan border. Peasants in the area notified the authorities that two very sick men who could not speak had been found.

One of the Socialist leaders, Marco Virgilio Carias, is the president and founder of the PASO. He is also a candidate for deputy of the National Congress for the Honduran Patriotic Front [FPH]. The other man is Rogelio Martinez Reina, who has been active in the PASO since it was founded.

Relatives and friends of the two Socialist leaders went to pick them up and took them to a private hospital in Tegucigalpa, where it was said that their condition is deplorable.

The police said that the car in which the Socialist leaders were traveling was found abandoned near where the two men were found and that their personal things were also there.

Persons close to the families of the two Socialist leaders said that a note was found at the site which read: "This is a warning to those who cooperate with the communist, Marxist-Leninist regime in Nicaragua." It was signed by the "Front For the Liberation of Nicaragua."

FOREIGN CURRENCY EXCHANGE CONTROLS ESTABLISHED

PA221851 Tegucigalpa Voz de Honduras in Spanish 1145 GMT 21 Sep 81

[Excerpt] The daily TIEMPO reports on its front page that for the first time in 35 years there is a currency exchange control.

TIEMPO publishes Resolution 327-981 of the Central Bank of Honduras which states among other things what follows: Foreign exchange obtained from exports and services or from any other source by persons and companies in the country must be reported and sold to the Central Bank of Honduras or to any legal bank or institution approved by the directorate of the Central Bank of Honduras.

NICARAGUA

ORTEGA DENOUNCES NEW U.S. ECONOMIC 'AGGRESSION'

PA222316 Managua Radio Sandino in Spanish 1800 GMT 22 Sep 81

[Text] Reagan administration inflicted a new economic blow against Nicaragua as the U.S. Agency for International Development [AID] suspended a $7-million credit. This information was revealed last night by Daniel Ortega Saavedra, commander of the revolution and coordinator of the governing junta of national reconstruction. This new aggression by the Yankee imperialism was announced by Commander Ortega Saavedra during the ceremony commemorating the 25th anniversary of the execution of Tacho Somoza Garcia by national hero Rigoberto Lopez Perez.

At the same time, the member of the governing junta, Commander Ortega, denounced the so-called Hawk View naval maneuvers scheduled by the U.S. Government in a dastardly alliance with other nations of the continent.

The suspension of the credit was announced to the International Reconstruction Fund, FIR, on 18 September by the acting director of AID, (Gerald R. White). The $7-million loan had been destined for reconstruction programs throughout the country.

The warmongering policy of the Reagan administration shows up with such acts of open aggression against the Nicaraguan revolutionary government designed to bring the people of Sandino to their knees. Nevertheless, the people of Sandino will never capitulate for a few more dollars.

Minister Cites Cuban Aid

PA232021 Panama City LA PRENSA in Spanish 22 Sep 81 p 4 C

[Jose Montano article]

[Text] Nicaraguan Finance Minister Joaquin Cuadra Chamorro yesterday said that aside from the political meaning, the suspension of the U.S. economic aid to his country had no important effects because it was replaced by that of "the rest of the world."

Cuadra Chamorro spoke to newsmen during a news conference held at the Nicaraguan diplomatic mission here in which he noted that it will take 10 years for the Nicaraguan economy to recover.

After praising the economic aid from socialist countries, Europe, Venezuela and Mexico and stressing that "thanks to God," Nicaragua has received "extensive aid" from the Cuban Government, Cuadra Chamorro said that the Sandinist government inherited a $1.6-million [as published] foreign debt.

He added that the government of national reconstruction is currently involved in the negotiations of foreign credits amounting to $800 million, with terms of payment which average 40 years, 3-year grace periods and an annual interest rate of 4 percent.

According to the Nicaraguan finance minister, the country's economic situation is no different from those of the other underdeveloped nations. However, he added that the damage caused to the production infrastructure by the previous government is one of the greatest obstacles being faced.

Cuadra Chamorro said that this damage amounts to some $600 million.

He said that "in a romantic gesture" the Sandinist leadership had lifted the state of economic emergency when it had not truly disappeared.

Minister on U.S., Soviet Aid

PA222242 Panama City Televisora Nacional in Spanish 2245 GMT 21 Sep 81

[Interview with Nicaraguan Finance Minister Joaquin Cuadra Chamorro by unidentified newswoman; date and place not given--recorded]

[Text] [Question] How is the economic situation of the Republic of Nicaragua?

[Answer] The economic situation of the Republic of Nicaragua is similar to that of all the other developing countries which are going through a critical situation, particularly if we take into account that it is even worse in Nicaragua because of the damage that the insurrection and the looting of the Somozist government did to the country.

[Question] How long will the Nicaraguan Government take to pay the foreign debt?

[Answer] The Nicaraguan Government has renegotiated these debts and is still in the process of renegotiating others in order to obtain adequate periods to pay them off. However, regarding the deadlines for paying these debts, our government likes to be very honest and does not want to hide the realities we are experiencing. We are fully aware of the fact that in order to recover the gross national product of 1977, we will need at least 10 years.

[Question] How has the lack of U.S. economic aid affected the Nicaraguan Government?

[Answer] Regarding the quantity of the aid, it has not had that great effect because most of this aid has been replaced by the economic cooperation that other friendly countries, not only from the socialist sphere but from Western Europe and Latin America, have given us.

[Question] Are you receiving aid directly from the Soviet Union?

[Answer] We have just signed contracts for credit lines to import heavy machinery and farm equipment. This is the system and kind of aid we have received from the Soviet Union. It is similar to the aid that we have received from almost all the other countries in the world.

[Question] Would you say that this Soviet aid has partly solved the U.S. cut in economic aid?

[Answer] It has not only been the Soviet aid which has helped counteract this cut in U.S. aid. As I said in the beginning, this has been counteracted with the aid of the rest of the world.

[Question] Have the Nicaraguan people's taxes been raised to pay this foreign debt?

[Answer] The tax policy in Nicaragua--which I design in my capacity as finance minister--is aimed at having those who have more pay the taxes. We have to change the tax structure in Nicaragua because we have to get the money to pay the debt and to finance development from those who have money and not from those who do not have money.

[Question] Then these taxes will be applied to the private sector directly?

[Answer] Yes, if we understand by private sector those who have, because those state agencies involved in commercial and productive activities have to pay taxes too.

CENTRAL BANK ANNOUNCES NEW CREDIT PROGRAM

PA222224 Managua Radio Corporacion in Spanish 2300 GMT 21 Sep 81

[Press note issued by the Nicaraguan Central Bank; date and place not given--read by announcer]

[Text] A loan contract for 300 million cordobas was signed with the World Bank recently as another effort of our Government of National Reconstruction to obtain the necessary funds for the country's economic reactivation.

This 300 million cordobas will be used to boost a credit program to finance the rehabilitation and strengthening of public and private industries including agro-industrial, forest, mining, construction and construction materials concerns.

The Especial de Desarrollo [FED] will implement this credit program through the five banks that make up the country's national banking system.

The available funds will bechanneled to agro-industrial firms, factories that make construction materials, forest and mining concerns and businesses engaged in making export products and supplies, and in processing raw materials of the private and public sector whose future feasibility can be clearly demonstrated. Priority will be given to those whose implementation or strengthening is needed for other enterprises.

The conditions of the financing include that the funds be used to finance investments by industries needing rehabilitation in the form of repairs, replacement parts and modernization of machinery and equipment. They also include the building of new fixed installations as long as the investment is considered indispensable. Credits for this will be granted for up to 15 years.

Financing for working capital will be granted for 5 years for fixed investments as well as for working capital. A 3-year grace period will be granted for these credits, and the maximum amount to be given will be 30 million cordobas per firm. The interest rates that will be involved inthis industrial financing will be of two kinds in order to encourage the businesses which make export products. Those which export a minimum of 30 percent of their production will pay off their debt at an annual interest rate of 15 percent on the unpaid balance. The credits for other businesses whose export percentage is less than 30 percent will pay an annual interest rate of 17 percent on the unpaid balance.

Nicaraguan businessmen interested in obtaining credits to rehabilitate their industries under these conditions can request more information at any bank in the country.

The loan request will have to be accompanied by a technical-economic feasibility study which should be presented according to the guidelines that the FED has established for this credit program. These guidelines can be seen by the businessmen at the banks of the National Financing System.

The FED also has approximately 20 million cordobas to finance fixed investments and working capital for small private enterprises and production cooperatives engaged in manufacturing products or in making arts and crafts. These enterprises and cooperatives must have less than 2.5 million cordobas in fixed assets.

These funds will also be channeled through the banks of the National Financing System.

BAYARDO ARCE ON ECONOMIC EMERGENCY MEASUERS

PA210214 Managua Radio Sandino in Spanish 1200 GMT 19 Sep 81

[Text] At the dedication of a monument to FSLN [Sandinist National Liberation Front], hero (Ricardo Morales Aviles), Commander of the Revolution Bayardo Arce Castano last night outlined the tasks that must be undertaken by all Sandinists in this hour of national economic emergency. He said that it is the task of all members of the vanguard to explain the present economic crisis to the people and to convince them of it.

After a self-critical analysis of the people's expectations regarding the revolution--because many Sandinists were not aware of many of difficulties--and after acknowledging the unavoidable moment of corrections, Arce said that besides the internal economic emergency, imperialism is lurking, and that together with a Central American and a South American country, imperialism was preparing to hold naval maneuvers in the Caribbean in open provocation against the Sandinist people's revolution.

Here is an excerpt of last night's speech by Commander of the Revolution Bayardo Arce Castano, at the (Ricardo Morales Aviles House), in which he outlined and analyzed several factors and the new tasks within the framework of political and revolutionary action:

[Begin recording] It is not only the case of giving a name to a building or work center. It is putting the seal of quality on our work today, our militant aspirations of today.

We recently imposed a state of general economic and social emergency in this country. To decree a state of emergency does not mean to achieve a state of emergency. It only means that the political framework was established for creating a state of emergency in our nation. It only means that guidelines were established for a whole line of work which must involve every single Sandinist.

The task we now have before us is to convince the people that the state of emergency, which is only the postponement of a variety of just aspirations, of a variety of well-deserved rewards, is truly revolutionary in nature.

To put us all in a state of emergency is a correct and revolutionary measure in order to confront the threats against the revolution today, to be able to save it and then, to be able to map our tomorrow, which moved these brothers to give their lives and which has moved us all to risk our lives with arms against the dictatorship.

Today we would like to really honor the heroes of Nandaime and other quality brothers who fell in this same month, like (Edgar Munguia), (Guillermo Rivera), (Jacinto Hernandez), (Lurania Zelaya), (Manuel Olivares) and many others whose names escape us by assuming the tasks of this new stage, with the spirit of these heroes and martyrs of Sandinism. [end recording]

COSTA RICA'S CARAZO MEETS LEADERS DURING STOPOVER

Criticizes U.S. Policies

PA221554 Managua Radio Sandino in Spanish 1200 GMT 22 Sep 81

[Text] Last night, Costa Rican President Rodrigo Carazo stopped over in Managua. Along with Sergio Ramirez, he held a brief news conference at Sandino Airport.

President Carazo met with leaders of the FSLN and the government junta and declared, jointly with Ramirez, that it had been a source of satisfaction to have been present at the birth of Belize, the seventh Central American state.

Sergio Ramirez said that Nicaragua had been present with a large delegation and that the Belizean people had extended a warm welcome.

As Ramirez, Carazo said that he had been moved by the slogan of independence printed on placards and signs: Independence is only the beginning.

Ramirez noted the mission of goodwill carried out by the Nicaraguan delegation, which included several artistic groups, including (Bancotal) and (Luis Enrique Mejia). The task now is to see that the independence of the fraternal Belizean people is respected, Sergio Ramirez said. Within our limited possibilities, we have offered our solidarity to the people of Belize through their prime minister, George Price, he added.

Those who carry out military maneuvers off our coasts are like those who eat in front of the hungry, Costa Rican President Carazo said yesterday on his way home from Belize. The president's stopover in Managua took place at approximately 1830. He talked with members of the FSLN National Directorate and with Rafael Cordova and Sergio Ramirez in the protocol room at Sandino Airport.

President Carazo made a broad statement regarding the serious difficulties that our countries are facing. He said that, in the face of the present situation, the principle that unity is strength has even greater validity. Four-fifths of the people on the earth are experiencing a highly critical situation, the Costa Rican president said, and we Central Americans must find a way to help each other. There are now seven Central American countries, including Belize. He said that he was intensely happy over the Belizean people's achievement of independence.

During the news conference, President Carazo discussed the negative attitude of powerful countries, which continue to pursue a policy of harming poorer countries by purchasing our goods at the price they want and selling to us at their whim.

Present in the protocol room at Sandino Airport were Humberto Ortega, Henry Ruiz, Tomas Borge and Victor Tirado, all commanders of the revolution, as well as Sergio Ramirez and Rafael Cordova, members of the government junta; and Miguel d'Escoto, minister of foreign affairs.

President Carazo criticized U.S. attitudes toward our countries. He reiterated that only by uniting will we achieve the strength that we need to defend our selves.

Discusses Bilateral Trade

PA221609 San Jose Radio Reloj in Spanish 1200 GMT 22 Sep 81

[Text] Managua--The Nicaraguan Government yesterday informed President Rodrigo Carazo of its concern over joint naval maneuvers that will be carried out by the United States, Venezuela and Honduras off the coasts of Honduras in October, according to reports received here.

Nicaraguan junta coordinator Daniel Ortega reported this following a meeting with the Costa Rican president at Augusto Cesar Sandino Airport in Managua. Carazo made a stop-over in Managua on his way to Belize. In talks with Carazo, Ortega noted that the maneuvers are a very clear threat against the Nicaraguan revolution and the Salvadoran people.

The two leaders also discussed aspects of the economic relations between Nicaragua and Costa Rica. They examined the possibility of establishing the exchange of certain exports but inthe way of barter. Trade relations between these two countries have been affected by currency limitations esatablished by the two governments to face their respective economic crises.

WFDY LEADERS ARRIVE FOR MEETINGS, SCORE U.S.

PA221818 Managua Radio Sandino in Spanish 1200 GMT 22 Sep 81

[Excerpts] The WFDY Bureau, which will coordinate the first meeting of youths of Latin America and the Caribbean, has arrived in Managua to take charge of the activities of the event, in which over 60 organizations will participate.

The slogan of the meeting, to be held from 25 to 27 September, will be: Condemnation of imperialist intervention in the area and the struggle for the self-determination of peoples, independence, national sovereignty and democracy.

(Enrique Drattman), an Argentine who is vice president of the WFDY, said that the youth delegations that will meet in Nicaragua will discuss the aggressive policy of the U.S. administration against the democratic peoples of the world, a policy that is a serious threat to world peace.

In addition, he denounced the arms race being spurred on by Washington and said: We will express our solidarity with the peoples of El Salvador, Cuba, Nicaragua and Grenada.

(Drattman) harshly criticized the U.S. policy of attempting to destabilize the Sandinist revolution through economic measures and by firmly supporting the bands of former Somozist guardsmen that are mobilizing in Honduran territory.

For his part, (Salim Altamini), another member of the WFDY Bureau who is from the People's Democratic Republic of Yemen, explained that the meeting of youths has been planned because the world situation is becoming increasingly tense as a result of the actions of the new U.S. administration which seeks, through its arms race, to recover the hegemony that it has lost.

The WFDY Bureau member said that the United States is using the argument of a Soviet presence to justify its intervention in several parts of the world, primarily in Central America, because of the development of the Salvadoran revolution.

He said that the same warlike policy is being used in the Middle East, where Israel carries out acts of aggression against Palestine [as heard] with U.S. support.

Finally, he said that the WFDY presence in Nicaragua is not an accident, because we have mutual commitments to the struggle for the peace, security and stability of our regions.

The results of the meeting will be disseminated by the participating organizations in order to unmask Washington's interventionist policy, (Altamini) said.

REPORTAGE ON FINAL DAYS OF IPU CONFERENCE

FMLN-FDR News Conference

PA221505 Managua Radio Sandino in Spanish 1200 GMT 22 Sep 81

[Text] We are no longer just an alternative. We are the people's power and there is no other path than armed struggle to achieve liberation and win our sovereignty and independence. Statements to this effect were made abroad by the leaders of the FMLN [Farabundo Marti National Liberation Front] and the Revolutionary Democratic Front, FDR.

On Saturday, within the framework of the 68th IPU Conference, which is underway in Havana, Cuba, five Salvadoran revolutionary leaders held a news conference with over 40 newsmen. Hector Dada, Hugo Navarrete, Mario Aguinada, commander of the Farabundo Marti Front. Juan Jose Martell and Miguel Saenz, of different groups within the FDR, reiterated that only the intervention of the United States and its support for the junta have kept the latter in power.

Hector Dada, who was foreign minister of the junta until February, 1980, explained why he resigned and went into exile. He said that Napoleon Duarte belongs to a group of Christian socialists whose vision is primitive and who provide, through Venezuela, a messenger service [correo de transmision] from the United States in what is virtually a crusade against atheism; he is one of those who, fraudulently calling themselves Christian socialists, kill innocent people, as is the case in El Salvador. Former foreign minister Dada said that Aristides Calvani of Venezuela was the founder of that messenger service to Central America and that he was personally disappointed in Venezuelan President Luis Herrera Campins because of his recent stances.

Dada Speaks About Duarte

PA222202 Havana International Service in Spanish 1600 GMT 22 Sep 81

[Excerpt] Hector Dada, former foreign minister of El Salvador, has said that the inclusion of the subject of the violation of human rights in El Salvador on the agenda of the 68th IPU Conference demonstrates that there is a generalized concern about the drama being experienced by those Central American people. In statements made in Havana, Dada mentioned the meeting on Monday at the White House between Jose Napoleon Duarte, chief of the Salvadoran regime, and Ronald Reagan, president of the United States, to negotiate an increase in economic and military aid from Washington to the fascist junta of El Salvador.

Napoleon Duarte, he said, seeks by all means to deceive the U.S. public by proposing an apparently attractive solution to the Salvadoran crisis to keep the U.S. people from opposing Reagan's support for Duarte's genocidal policies. Despite U.S. aid, Dada said, the people's liberation movement in El Salvador is advancing, while the crisis within the army is becoming more acute, since some military sectors are seeking any and every means of expressing opposition to the junta's policies.

Reception for Delegates

FL231027 Havana Domestic Service in Spanish 1000 GMT 23 Sep 81

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, last night attended the reception hosted in this capital by the National Assembly of the People's Government in honor of the delegations participating in the 68th Inter-Parliamentary Union Conference, which will end today.

Others attending the reception were vice presidents of the Councils of State and Ministers, Raul Roa, president ad interim of the Cuban National Assembly and the diplomatic corps accredited to our country, among many others.

Resolution on FMLN-FDR Recognition

FL231933 Havana Domestic Television Service in Spanish 1700 GMT 23 Sep 81

[Text] The committees on parliamentarian, legal and man rights affairs at the 68th Inter-Parliamentary Union Conference this morning approved by an overwhelming majority a draft resolution on human rights in El Salvador and on ways to find a peaceful solution in that country. Discussions on this subject began during yesterday's session. The drafting committee chaired by the Nigerian delegate today submitted the draft document for discussion.

The most debated issue of the document--which was questioned by Austria--was paragraph five which concerns the representativity of the Farabundo Marti National Liberation Front [FMLN] and the Democratic Revolutionary Front [FDR]. To everyone's surprise and showing good judgment, the Venezuelan delegation voiced support for the paragraph as worded by the drafting committee.

The Venezuelan parliamentarian [unidentified] made the following statement on the subject.

[Begin recording] Mr President, Venezuela will support paragraph five as worded in the draft resolution. So far, the Salvadoran junta has refused to negotiate with the forces of popular insurrection to find a political solution to the drama that is taking place in that country. We must note that the Catholic Church's Legal Aid office stated a few days ago that paramilitary forces--which are promoted, protected and supported by the genocidal Salvadoran junta--are responsible for 80 percent of the 22,000 murders that have taken place in the past 20 months. Since a force which will have to negotiate must have representativity, it is proper to recognize in paragraph five the representativity of the insurgent forces opposed to the genocidal Salvadoran junta. Therefore, Venezuela supports paragraph five as worded in the draft resolution. [end recording]

As could be expected, the United States and six other countries voted against the resolution. On explaining his negative vote--which he did not have to do--the U.S. delegate noted again that the IPU made a mistake in approving paragraph five of the draft and lamented the fact that the Salvadoran Government was not even mentioned among the Salvadoran representative forces. Without even blushing, the U.S. delegate said he favored a peaceful solution and noted that he could not support the paragraph concerning the Mexican-French declaration either--which is welcomed in the resolution. Even Australia voted in favor of the resolution.

U.S. Press Conference

FL240051 Havana Domestic Television Service in Spanish 0000 GMT 24 Sep 81

[Text] An official of the U.S. Interest Section in Cuba today prevented the participation of PRENSA LATINA in a press conference held at the interest section here in Havana. The conference was offered by the U.S. delegation to the 68th Inter-Parliamentary Union Conference and is the first held on a restricted basis outside the palace of conventions. The secretary of the U.S. diplomat, Robert Jordan, told PRENSA LATINA that she had asked the official but, unfortunately, there was no more room.

PRENSA LATINA news agency had asked to attend 4 hours before the press conference began. All the parliamentary delegations at the 68th IPU Conference have held their press conferences at the Palace of Conventions and have invited both the national and foreign press accredited to the conference. Several Cuban press organs asked to take part in the press conference held by the U.S. parliamentarians, but they were also refused admittance.

Final Session

FL240055 Havana Domestic Television Service in Spanish 0000 GMT 24 Sep 81

[Text] Debate opened as scheduled this afternoon in the plenary session which will conclude the agenda of the 68th Inter-Parliamentary Union [IPU] Conference that began on 15 September here in Havana. We are now showing you some views of that final session presided over by the conference's chairman, Raul Roa Garcia, acting president of the National Assembly of the People's Government in Cuba.

One of the first draft resolutions approved at the plenary session despite the tenacious opposition of the delegations from the United States, Australia and other Western countries, was one condemning Israel's aggressions against Lebanon and the continued occupation of Arab territories, which constitute a flagrant violation of UN and IPU resolutions.

Delegates were informed at the outset of this afternoon's closing session that the executive committee had adopted the decision to have parliamentarians Fechner of the GDR and (Al-Sayed) of Sudan occupy the committee's two vacant seats. At the time of this broadcast, debate continued concerning the approval or rejection of other draft resolutions.

NONALIGNED MEETING ON STANDARDS TO BEGIN

FL231153 Havana Domestic Service in Spanish 1100 GMT 23 Sep 81

[Text] The first meeting of experts on standards, metrology and quality control of the Nonaligned Movement and of other developing countries will begin next Monday at Havana's Palace of Conventions. The meeting will examine the influence that standards, metrology and quality control have as factors which propel social and economic development, especially in processes of industrialization, technological exchanges and industrial cooperation. The meeting will contribute to the achievement of important objectives in industrialization, comprehensive economic development and increasing participation in international commerce, making it possible for more just economic relations within the framework of a new international economic order.

CASTRO: IRANIANS NEED TO OPEN EMBASSY IN CUBA

LD230830 Tehran Domestic Service in Persian 2030 GMT 22 Sep 81

[Text] According to a report from a central news unit correspondent in Cuba, an Iranian parliamentary delegation, headed by Hojjat ol-Eslam Do'a', has met with Cuban leader Fidel Castro. During their 2-hour meeting the spokesman for the Iranian delegation made some remarks about the Iranian Islamic revolution and said that in the Iranian revolution all the people are present on the scene and are guarding their revolution by following their imam. He added that the Iranian revolution is going through the phase of fighting against imperialist plots; Islam is our ideology and we hope that our revolution will be the start of a new chapter in the history of revolutions.

Castro said: Your sacrifices and martyrdom have been amazing. We understand your revolution and the lesson we have learned from you is one of devotion and sacrifice. Castro also strongly attacked the United States and Reagan and called him a fascist. He also emphasized the important role of Islam in the region and said that we should try to expand this interpretation of Islam and spread it to other Muslim masses. He added that Islam is an effective power which can have a decisive role in the region. He also emphasized that to increase our contacts, it is necessary for the Islamic Republic of Iran to have an embassy in Cuba. He also remarked that he would like to meet the imam.

RAUL CASTRO RETURNS FROM VISIT TO SOVIET UNION

FL232136 Havana Domestic Service in Spanish 2130 GMT 23 Sep 81

[Excerpt] Army Gen Raul Castro, first vice president of the Councils of State and Ministers and minister of the Revolutionary Armed Forces, returned home yesterday from the Soviet Union which he visited at the invitation of Soviet Defense Minister Marshal of the USSR Dimitriy Ustinov.

OFFICIALS DISPEL DISTORTED IMAGE OF ECONOMY

FL232337 Havana Domestic Service in Spanish 2300 GMT 23 Sep 81

[Text] Two Cuban officials who were denied visas by the United States to take part in a seminar organized by two Washington universities and the New York Cuban Studies Center have employed videocassettes to report on recent successes of the Cuban economy despite the U.S. blockade.

Officials Alberto Betancourt Roa and Marcelo Fernandez Pons refuted the image of Cuba's economy protrayed by the U.S. Department of State. By means of the television screen, Alberto Betancourt pointed out that Cuba was able to overcome the difficulties posed by the blockade by expanding its trade with other nations and said that it had developed more than 100 exportable products in the past 5 years. Meanwhile, Marcelo Fernandez Pons used the same means of communications to report that in the past 5 years Cuba's economy has grown 5 percent and that it will grow by 5 percent more in the 1981-85 period.

Most of the Americans at the seminar, including several legislators, criticized aspects of U.S. policy against the Cuban revolution.

FURTHER REPORTAGE ON CZYREK VISIT TO CUBA

For Warsaw media coverage of the visit to Cuba by Minister of Foreign Affairs, Politburo member and Secretary of the Polish United Workers' Party Central Committee Jozef Czyrek, see the Poland section of the 23 September Eastern Europe DAILY REPORT.

BAHAMAS

COMMONWEALTH SECRETARY RAMPHAL OPENS FINANCE MEETING

FL222012 Bridgetown CANA in English 1905 GMT 22 Sep 81

[By Vern Darville]

[Text] Nassau, the Bahamas, 22 Sep (CANA)--Commonwealth finance ministers were urged here today by Commonwealth Secretary General Shridath Ramphal to come to the rescue of the World Bank and the International Monetary Fund (IMF). Mr Ramphal said that the two institutions were endangered by the "perceptible wavering" of their largest contributor (the U.S.) in its commitment to multilateral institutions in general and the bank in particular.

Mr Ramphal, addressing the opening session of the Commonwealth finance ministers meeting, challenged the view that the World Bank had been "subsidizing socialism." "Such claims not only ring strange to all who know the bank--they also do less than justice to the strengths that derive from the banks evolved character, to the complexities and compulsions of the development process and the banks response to them."

The ministers will be discussing in the 2 days such issues as high interest charges and the effects are volatile exchange rates on monetary and financial stability, the need for additional mechanisms for recycling surpluses to oil-importing developing countries, and measures to relieve the debt burden of developing countries. [sentence as received]

A proposal for the establishment of an energy affiliate of the World Bank is listed among the agenda items, as is the role and future of the bank itself, to which Mr Ramphal alluded in his opening address. The 52-year-old Guyana-born secretary-general also told the ministers at the Ambassador Beach Hotel that the role of private sector in the national economy was one for each country to decide, although most acknowledge it to be an important role.

It was the simple truth, however, that irrespective of ideological preference, the governments of developing countries were obliged to play a significant role in development "partly because the private sector is small and partly because the attraction to private investors is low in many sectors vital to economic growth: irrigation projects, rural credit schemes, power supplies, telecommunications networks and so on."

Mr Ramphal indicated that those were areas in which governments had to intervene, areas in which the World Bank, by providing not just finance, but expert guidance and the monitoring of progress was able to give "real help." He argued that the role of the bank in installing badly needed infrastructure "in fact greatly improves the environment for private investors."

Accordingly, the banks activities had tended to be complementary to, rather than competitive with, private investment. In some cases, an expansion of the role of the multilateral development agencies mught well be a virtual pre-condition of greater private sector involvement in the development process, the secretary general noted.

He said that the poorer the country, the lower the returns from infrastructural development and that the poorest countries, as a result, could ill afford commercial borrowing. "For them to rely on private funds for such investment would be to make development altogether illusory." He pointed out that this complementary role between private and official flows applied also in the case of the IMF.

"The international commercial banks themselves," he said, "have tended to support a larger role for the fund in the recycling process, and private lending has tended to be encouraged when countries have negotiated stabilization arrangements with the fund."

It was stressed that the implications for that linkage "must not be forgotten when signals are sent for a return to harsh conditionality, (which is) a return as intrinsically inimical to real development as it is to the future role of the fund itself."

It was natural that changes of government in the industrialized countries should result in different development orientations, Mr Ramphal said, but declared that "some global thrusts should be beyond recall of any national elections."

"At a time of enlarging needs, expanded roles for international institutions of proven worth are among these thrusts....Reforms will always be needed, as institutions evolve and circumstances change. The current danger is not merely the prospects for reform: it could be the institutions themselves."

It was recognized that the Commonwealth had traditionally been committed to strengthening the banks capacity to serve the development process, but "above all, as the International Development Association (IDA) drifts from crisis to crisis, the need to secure its future is now a matter of the highest priority.

"If that need remains unfilled, the prospects for the poorest countries, which must continue to depend on concessional finance, will be even darker." Mr Ramphal urged that the world attention focused on the least developed countries (LDCs) at the recent UN Conference on LDCs "needs to be sustained and sharpened and the promise of Paris fleshed out in performance." He painted a gloomy picture of the world economic situation where 750 million people live in absolute poverty outside China.

The secretary-general suggested that the world economic system was rapidly losing its capacity to serve any of its constituents, rich or poor, that the future of the world economy and of the north within it were inseparable from the role and fortunes of the developing countries, and that interdependence through collective action provided the only avenue to genuine progress for all.

He pointed to a "growing body of hard evidence from technical analysis which suggests very strongly that the only real way to maintain the prosperity of the rich lies in structural changes to ensure the livelihood and dignity of the poor." "Yet, there are still some who dismiss the relevance of the South to the North, or admit it only so far as individual southern states become factors in East/West strategic equations."

He decried the fact that while millions are struggling just to survive, the major powers are engaged in an escalating arms race "with all that that means in terms of skewed national development, a misdirection of world resources and heightened potential for global catastrophe."

Noting the progress achieved at Ottawa on North/South issues, Mr Ramphal said that he was confident that practical steps would be taken in that direction in Melbourne at the Commonwealth summit, steps to which Australia and Prime Minister Malcolm Fraser had greatly contributed.

"Coming as it does immediately before the Cancun, (Mexico) summit and involving leaders of 1/4 of mankind living in both industrialized and developing countries," he commented, " the significance of Melbourne could scarcely be greater. Cancun itself offers a unique chance to change the character of the North/South dialogue from one of strident demand and mute response to a new constructive search for consensus informed by the intimation that the bell tolls for the world economy each time it tolls the economic collapse of any country within it."

The finance ministers were told that they are in the frontline of the world's economic emergency and that, almost as never before, they need to act in the knowledge that they are all in it together, mindful of the lessons of the 1930's "that, uncoordinated national action, without regard to international repercussions, can only lead to devastating consequences for all."

Pindling Address

FL222132 Bridgetown CANA in English 2110 GMT 22 Sep 81

[By Vern Darville]

[Text] Nassau, Bahamas, 22 Sep (CANA)--Prime Minister Lynden Pindling today implored Commonwealth finance ministers to "press hard" for a resolution of the funding situation surrounding the International Development Association (IDA), a "soft" arm of the World Bank.

In his remarks at the opening of the 2-day finance conference, the Bahamian prime minister noted that poor countries are concerned over the uncertainty surrounding the future of the IDA "which may be starved of funds by reasons of the fiscal pruning now being undertaken by some industrial donor countries."

In his global economic analysis, Mr Pindling drew attention to the large and volatile current account deficits causing serious problems for non-oil-producing countries, the extraordinary high and unstable interest rates causing greater instability in foreign exchange markets, the worsening debt burden of non-oil-producing nations and that the tight monetary policies of industrialized countries are behind the unprecedented interest rates and the flight of capital from the less developed countries (LDCs).

While some economic forecasts point to an easing of economic pressures in industrial economies, the non-oil-producing countries with automatic stabilizers face "not very encouraging prospects" for adjustment, he said. And because of the impact of such policies on the weak and poor countries, Mr Pindling was "most reluctant to share the optimism of those who see encouraging signs in the fact that the governments of many industrial countries are trying to exercise more fiscal restraint to complement their firm monetary policy in an attempt to control inflation."

Mr Pindling argued that those actions "are more likely to lead to more bankruptcies, less business expansion, more redundancies, increased unemployment, reduced social spending and heightened suffering in low income families."

Calling on those exercising fiscal restraint to be mindful of the effect on human lives, he gave the Bahamas as a unique example, where, in order to reduce human suffering caused by external forces, the government "has increased public spending so as to create employment and has expanded the social services and social benefits so as to prevent human suffering."

He saw hope in moves toward severance of the link between economic growth and oil consumption and in the strides made in major industrial countries to conserve energy and find alternative energy resources but, "unfortunately, the same cannot be said for the oil-importing developing countries."

They will continue to be heavily dependent on oil both for their economic development and for their energy needs and there is no prospect of their being able to sever the linkage in the near future."

According to Mr Pindling, if one were to take away their oil, then all of their prospects for economic growth and development would be taken away at the same time. "This situation," he said, "is especially painful for the poorer developing countries which have little access to private capital markets--and to whom the flow of concessionary aid had slowed significantly."

He noted the improvement in the process of recycling the cash surpluses of the oil-exporting countries mainly through private financial markets which "has allowed some of the larger LDCs, and one or two of the small ones, who can afford, for the time being, the high cost of credit to borrow from these institutions. But, by and large, most countries have not been able to avail themselves of such expensive recycled cash surpluses," he pointed out.

On the question of a solution to the problem of the rising current account deficits of the non-oil-producing LDCs, Mr Pindling felt that this is of particular significance to the IMF which is making an effort to increase its assistance to member countries with balance of payments problems. He saw this as a "welcome sign" and the fact that members are now allowed to borrow up to 450 percent of their newly-increased quota over a 3-year period as "truly a step in the right direction" which "should go a long way in easing some of the financing burdens that developing countries now face." He saw, too, the greater conditionality the IMF attaches to the use of its resources as "a most promising development, not withstanding the fact that the relaxation has to be obtained in the teeth of strong opposition from powerful members of the fund."

The Bahamian prime minister said that it would be "most unfortunate if the fund were to be forced to revert to earlier norms of conditionality since countries in need will be reluctant to seek fund assistance, despite the theoretical availability of enlarged access." Mr Pindling hoped that further loans will be forthcoming from the World Bank, which has made strides in its structural adjustment lending to non-oil-producing developing countries, to assist them in financing their balance of payments deficits, to aid them in finding alernative energy substitutes.

Tanzanian Minister's Address

FL222334 Bridgetown CANA in English 1745 GMT 22 Sep 81

[Text] Nassau, Bahamas, 22 Sep (CANA)--Tanzanian Finance Minister Amir Jamal today lashed out at what he said were "incredible but influential voices" which were claiming that the World Bank and the IMF were going too far in meeting the needs of the poor and that it was time to hold them back.

Speaking briefly during this morning's opening session of a 2-day Commonwealth finance ministers meeting, [words indistinct] "make it quite clear that not enough has been done, and that much more needs to be done." Mr Jamal's remarks came after Prime Minister Lynden Pindling asserted that it seems as if the world has moved even further away from any just and [passage indistinct].

The Tanzanian finance minister noted that a lot of "tactical attitudinization is taking place about the procedures and preparation for the global round of negotiations as a backdrop to the coming summit of North and South leaders in Mexico next month--when it should be seen as a unique opportunity for courageous movement forward." He said that the question facing finance ministers now "is whether the Commonwealth will play an adequate and timely role in dealing with the most pressing economic and social questions confronting the global community." He recalled that only a decade ago, it was necessary for the developing countries to "importune the market-oriented industrialized countries not to be altogether too preoccupied with what they considered to be their own affairs and thus take policy decisions which in actual fact affected the much larger world around them."

"Unfortunately," the ministers were told, "the logic of such self-centeredness has now led to a further contradiction of the area of preoccupation. And we see the high interest rate policy of one powerful country giving rise to a spiral of such policies by other industrialized countries, without any regard to what may happen to small, exposed and vulnerable economies which are locked-in with the big and powerful." Mr Jamal asserted that the North/South exchange, which in recent years has brought serious issues into sharper focus, "is in danger of being seen to be related to a dialogue of academic value, unrelated to the imperatives of a world in which a very large number of historically disadvantaged people are interlocked with a few industrialized countries on terms which are sustainable in the long run only on the basis of power rather than consent."

COMMITMENT TO DEFEND BELIZE REITERATED

FL211934 Bridgetown CANA in English 1909 GMT 21 Sep 81

[Text] Nassau, Bahamas, 21 Sep (CANA)--The Bahamas Ministry of External Affairs today issued a statement reiterating previous commitments made with other governments that, in the event of an armed assault of Belize, it would consult with six other governments "to consider what measures should be taken in relation to such an attack."

The statement was issued hours after Belize became independent of Britain, with a territorial claim by Guatemala still unresolved. Guatemala has refused to recognize the new nation. According to the statement, the Bahamas would consult with the Governments of Barbados, Canada, Guyana, Jamaica, Trinidad and Tobago and the United Kingdom in the event of an armed attack against Belize by Guatemala.

Welcoming the emergence of Belize as a fully independent state and a member of the Commonwealth, the ministry said that such consultation would take place "in the spirit of support for Belizean sovereignty and territorial integrity repeatedly expressed at Commonwealth meetings and in the United Nations."

"The Governments of the Bahamas, Barbados, Canada, Guyana, Jamaica, Trinidad and the United Kingdom have agreed that, in the event of an armed attack against Belize, externally organized or supported, or the threat of such an attack, they would consult together to consider what measures should be taken in relation to such attack," the ministry said. The Bahamas was being represented at today's independence celebrations in Belize by External Affairs Minister Paul L. Adderley.

BARBADOS

INDEPENDENT BELIZE WELCOMED AS COMMONWEALTH MEMBER

FL212318 Bridgetown CANA in English 2238 GMT 21 Sep 81

[Text] Bridgetown, Barbados, 21 Sep (CANA)--Barbados has joined its Caribbean Community (CARICOM) partners in welcoming the emergence of Belize today as a fully independent state and a member of the Commonwealth.

In a statement issued today by the ministry of foreign affairs however, the Government of Barbados declared that "in the event of an armed attack against Belize, externally organized or supported, or the threat of such an attack, it would consult with the Governments of the Bahamas, Canada, Guyana, Jamaica, Trinidad and Tobago and the United Kingdom to consider what measures should be taken in relation to such an attack." This stand, the government says, is in the spirit of support for Belizean sovereignty and territorial integrity, repeatedly expressed at Commonwealth meetings and in the United Nations. Belize became independent of Britain last night with a century of Guatemala claim to its territory still unresolved. [sentence as received] In addition Guatemala has refused to recognize the new nation.

DOMINICA

OPPOSITION LEADERS DISPUTE PARTY LEADERSHIP

FL222130 Bridgetown CANA in English 1822 GMT 22 Sep 81

[Text] Roseau, Dominica, 22 Sep (CANA)--A power struggle has broken out in the opposition Democratic Labor Party (DEMLAB) between former Dominica Prime Minister Oliver Seraphin and his ex-Finance Minister Michael Douglas. Douglas, in a prepared text to newsmen, said today that he was elected party leader last weekend and that the decision to dismiss his brother, Rosie Douglas, from the party was rejected by the members present as "baseless, cowardly and unconstitutional." But Seraphin, acknowledged leader of the 2-year-old DEMLAB, has dismissed the report and accused Douglas of trying to divide the party.

According to Michael Douglas, Rosie is now general secretary of DEMLAB and the party was now working towards the reunification of the entire labor movement here including the Dominica Labor Party (DLP) of ex-Prime Minister Patrick John, now in detention in connection with a plot to overthrow the government.

DEMLAB, a splinter group of the Dominica Labor Party, was born out of a nationwide strike which forced the resignation of the entire John administration in June 1979, and the subsequent setting up of an interim government headed by Seraphin.

Douglas charged that Seraphin's position had "never been ratified by a convention of the party" and therefore had held the leadership post unconstitutionally. Last weekend's meeting attended by delegates from 17 of the 21 constituency branches, "constituted the largest meeting ever held of the Central Committee of DEMLAB and demonstrates clearly the total rejection of Seraphin's leadership and his mischievous attempts to divide the labor movement in our country," the Douglas statement said.

Seraphin has however accused Douglas of trying to divide DEMLAB which won 2 of the 21 seats during last year's general election, "I believe his action is an indicator as to whether or not he is going to be dismissed...", he said. The party is yet to hold a national convention, but Seraphin said that one would be held shortly.

CUBAN SCHOLARSHIPS SEEN AS 'INTERFERENCE'

FL221915 Bridgetown CANA in English 1833 GMT 22 Sep 81

[Text] Roseau, Dominica, 22 Sep (CANA)--Dominica today accused Cuba of interfering in its internal affairs by offering scholarships to Dominican students in defiance of government policy. The governments position is outlined in a message sent by the External Affairs Ministry to the Cuban Embassy in St Georges, Grenada, and made public today by the Government Information Services (GIS).

The message said "it is the understanding of the Government of the Commonwealth of Dominica that at least one Dominican was awarded to pursue studies in Cuba with effect from the academic year just starting. "The ministry understands that the scholarships were among those originally offered by the Cuban Government to the Government of the Commonwealth of Dominica and refused by the latter government for reasons already explained."

The government here rejected the offer of Cuban scholarships on the grounds that it was mandatory that students [?study] Marxism. [as received] Prime Minister Eugenia Charles said she did not wish Dominicans to be brainwashed into accepting an ideology.

Today's GIS statement said "the Ministry of External Affairs says that in the circumstances it considers the offer of such scholarships to Dominican students a most unfriendly act, tantamount to interference in the internal affairs of the Commonwealth of Dominica." It said that the government was making it clear that the "idea of Cuban scholarships to Dominican students will not be entertained. "The Ministry of External Affairs of the Commonwealth of Dominica presents its compliments to the Embassy of Cuba in Grenada and has the honor to state that the Government of Dominica is unable to accept further offers of scholarships by the Government of Cuba."

The statement by the GIS did not say whether any new scholarship offers had been made to Dominica. Last month the left-wing Dominica Liberation Movement Alliance (DLMA) said that it had accepted a number of scholarships offered by the Government of Cuba. The DLMA had said that the scholarships were offered on a party basis.

GRENADA

COARD RETURNS FROM CUBA, REPORTS ON AGREEMENTS

FL230136 St Georges Domestic Service in English 2300 GMT 22 Sep 81

[Excerpts] A delegation headed by Deputy Prime Minister and Minister of Trade and Industry Comrade Bernard Coard returned to Grenada today after the completion of a series of meetings in Cuba. The meetings have to do with the existing trade and technical cooperation agreements between Grenada and Cuba which have now been extended for another year.

Comrade Coard said that the extension of the agreement would serve to deepen the trade relations between Grenada and Cuba. According to Minister Coard, Grenadian business places already import 36 items from Cuban commercial houses as the result of a recent trip to Cuba by delegations from the local Chamber of Commerce. However, he said that the local Ministry of Trade and Industry is seeking to increase the number of items to be imported from Cuba while also looking towards arriving at a line of credit with the Central Bank of Cuba. In his interview on arrival today, Comrade Coard also said that the area of construction would also get a boost from the agreement on a prefabricated cement plant which is expected to come from Cuba.

Comrade Coard was asked what impact the agreement would have on Grenada's budget and this was his reply: [Begin recording] I would say it has a tremendous impact both in terms of the [words indistinct] technical assistance, that is, the provision of experts with years of training and experience in their field. (?For) most countries this is something that costs a fortune, it costs an enormous amount to get assistance. We have certain projects, for example, that we have been discussing with other countries and other international organizations and just to get a half a dozen people with the technical expertise to train Grenadians would cost as much as 3/4 million dollars over a period of 4 years. So that, the provision through [words indistinct] of this kind of assistance makes an enormous difference [words indistinct] budget. [end recording]

In conclusion, Comrade Coard said that the extension of the agreement would save Grenadians millions of dollars.

Also arriving today with the Grenada delegation was Cuba's ambassador to Grenada, Julian Torres Rizo. The Cuban representative stressed that his country is not rich but it sees the agreement with Grenada as part of its internationalist duty.

ILL-TREATMENT OF VENEZUELAN FISHERMAN DENIED

FL211610 Bridgetown CANA in English 1824 GMT 20 Sep 81

[Excerpts] St Georges, Grenada, 20 Sep [CANA]--A group of Venezuelan fishermen, fined here recently for fishing illegally in Grenada's territorial waters, have not been ill-treated, Grenada's Legal Affairs Minister Kendrick Radix has said. It was a reaction to comments by the charge d'affaires at the Venezuelan Embassy, Hernei Escobar, who said here this past week that he was surprised at the severity of the treatment meted out to the fishermen by the authorities in Grenada.

The 13 Venezuelans were taken into custody on 30 August by a Grenada coast guard patrol boat after they were seen poaching in waters about 10 miles off the western coast of Gouyave. They were fined a total of 14,300 EC dollars (one EC dollar; 57 cents US) by a local magistrates court, which also ordered that the fishing boat "Linda Rose" as well as its fishing equipment and catch of over 6,000 pounds of fish be confiscated.

Mr Escobar said that he did not understand why the penalties were so heavy and said that the Venezuelan Embassy had brought a lawyer from Venezuela to look into the case with a view to deciding whether there is any action to take in the matter.

Mr Radix said that the Grenada Government "totally and completely denies any ill-treatment or any other unusual punishment upon these people" and said he felt the charges were a "red herring" coming from the Venezuelans at this stage.

He said that the Grenada Government had delivered a note to the Venezuelan Embassy in January to protest the illegal fishing by Venezuelan trawlers in the territorial waters of Grenada. The note also requested Venezuela to take immediate steps to ensure that there was no further unauthorized fishing by their fishermen in Grenada's waters, he added. Mr Radix, however, said that despite repeated warnings against fishing illegally in the country's territorial waters, a number of foreign vessels were continuing to violate Grenada's economic zone.

He warned that the authorities in Grenada would continue to detain foreign fishing vessels seen poaching in the country's territorial waters.

JAMAICA

SEAGA TO BELIZE TO ATTEND INDEPENDENCE CEREMONIES

FL211645 Bridgetown CANA in English 1600 GMT 21 Sep 81

[Text] Kingston, Jamaica, 21 Sep [CANA]--Jamaica's Prime Minister Edward Seaga was leaving here today for a one-day visit to attend Belize's independence celebrations. Mr Seaga is being accompanied by junior foreign minister, Neville Gallimore. They will join Labor Minister J.A.G. Smith who went to Belmopan at the weekend. Belize became independent from Britain at midnight last night.

MANLEY: CARIBBEAN BASIN AID PLAN 'SUSPECT'

FL212104 Bridgetown CANA in English 2228 GMT 20 Sep 81

[Excerpts] Bridgetown, Barbados [as received], 20 Sep (CANA)--Former Jamaica Prime Minister Michael Manley today warned Caribbean governments against compromising their principles in order to benefit from a proposed aid plan for the region co-sponsored by the United States, Canada, Venezuela and Mexico.

Manley's comments in his weekly column in the SUNDAY SUN [words indistinct] concern recently expressed by Jamaica Prime Minister Edward Seaga on the announcement that Mexico and France had formally recognized leftwing guerrillas fighting to topple the military dictatorship in El Salvador. "We are concerned that it interjects a note of discord at this time between some of the countries important to the fulfillment of the Caribbean basin plan," Seaga told reporters during an official visit to Venezuela 11 days ago.

Manley, who lost power in last October's Jamaica general elections, said the struggle in El Salvador, where an estimated 24,000 people have been killed since 1979, "goes to the heart of the political choice that faces our part of the world at this time."

The ex-Jamaica leader went on: "If a Caribbean basin plan depended on our declaring support for apartheid, our duty would be clear. It would be to tell the authors of the plan to forget it. Equally, if the sober, solemn and correct pronouncement of France and Mexico offends some of the authors of the plan, then the plan itself becomes highly suspect. It is reasonable to assume that the plan in such circumstances should be scanned for poison."

GUYANA

REID SURPRISED BY U.S. NEUTRALITY ON LAND CLAIM

FL222353 Bridgetown CANA in English 2225 GMT 22 Sep 81

[Excerpts] New York, 22 Sep (CANA-REUTER)--A loan to Guyana from the IDB which the United States recently vetoed is likely to be reconsidered, according to Guyanese Prime Minister Ptolemy Reid.

Dr Reid, who was in New York for the UN General Assembly, in an interview with REUTER last night, also expressed surprise that the United States had decided to take a neutral position on Venezuela's claim to most of Guyana's territory.

He said the claim already had been settled and the boundaries set by the 1897 treaty of Washington which U.S. representatives helped to work out. The other key participant, Britain, considered itself bound by the treaty, he said.

Asked what Guyana could do if Venezuela simply marched in, Dr Reid said, "military power is not all that is required to take a nation ... when the people are determined not to return to any king of slavery. It would be the worst thing to happen to Guyana. We have not considered that ever and don't believe it will happen."

PANAMA

RIGHTS CONFERENCE DISCUSSES SITUATION IN REGION

PA240402 Panama City Televisora Nacional in Spanish 2245 GMT 23 Sep 81

[Text] The international conference on human rights and peace being held at the Hotel Soloy today discussed the situation in Latin America. Representatives of national liberation and peace movements in Latin America, as well as delegates from international bodies, are participating in the conference.

The conference is chaired by Panamanian Camilo Perez. Included among the special guests are the president of the Uruguayan Democratic Convergence, Juan Ramon Ferreira. Today's session was attended by President Aristides Royo, who was accompanied by Ricardo Rodriguez, minister of the Presidency; Oyden Ortega, labor and social welfare minister; and Jorge Eduardo Ritter, government and justice minister.

The final document of the conference includes complaints against religious persecution and U.S. military maneuvers in the former canal zone.

SURINAME

GUYANESE AMBASSADOR ENDS DIPLOMATIC MISSION

FL231007 Bridgetown CANA in English 0948 GMT 23 Sep 81

[Excerpts] Paramaribo, Suriname, 23 Sep (CANA)--Former Guyana Ambassador to Suriname Philip Chan, who recently ended his 3-year tour of duty here, has said that "a good infrastructure of agreements and understanding" had been created between the two states during his term of office. He also said that through patience and dedication, the two countries could solve all outstanding differences between them.

Speaking at a farewell press conference, Mr Chan said that when he was appointed ambassador, he considered it a crucial task because "our neighboring republics were earnestly seeking avenues of cooperation for our mutual economic and social life."

Speaking on the revolution of February 1980, Mr Chan noted that many changes had taken place here since the event which toppled the Arron regime. "Be that as it may, my government has reiterated our clear position regarding relations with Suriname. We have never wavered from that position. Indeed we have assiduously sought to expand the bases for understanding and the further development of friendly relations between our governments and peoples."

Mr Chan stated that when he was appointed ambassador, his greatest desire was to increase friendship between the two countries and to strengthen the existing ties. "If I have succeeded in building this bridge of friendship, then I think it is a job well done," he said.

CHIN A SEN REVEALS ECONOMIC SITUATION, FUTURE PLANS

FL221733 Bridgetown CANA in English 1737 GMT 22 Sep 81

[Text] Paramaribo, Suriname, 22 Sep (CANA)--Suriname's President Dr Henck Chin A Sen has said that it would be premature at this stage for his government to consider nationalizing the banking and insurance sectors in the country. Speaking to newsmen, the president said the planning department had made certain recommendations to the government concerning the socio-economic development of the country, some of which dealt with the banking and insurance companies operating here.

"We place central the expanding of economic viability and control on production. We must look at all sectors individually and thereafter make a decision. However, our policy is not aimed towards the nationalization of private ownership," Dr Chin A Sen assured. Questioned as to what he ment by "economic viability," he said this meant the expansion of local production, better control (management) of the nation's economy and the diversification of various sectors.

The president said Suriname's economy was postcolonial, depending mainly on rice and bauxite as sources of revenue. He added that with the exception of these two sectors, all others were constantly neglected. He stressed that diversification must now be brought into the economy of the country, "while we must manage the process ourselves." He described as a tragedy claims by Japan and Brazil that they were buying more from Suriname than Suriname was buying from them.

Both Japan and Brazil buy bauxite and aluminum from Suriname. Dr Chin A Sen said the situation could be remedied if Suriname controls the process. At the same time, he questioned what was happening to the millions of dollars which are made in the shrimp industry. "They all go [to] Japan while we only get the crumbs," he declared.